



SOUTHERNERA DIAMONDS (PTY) LTD
REGISTRATION NUMBER: 2017/453700/07

(IN BUSINESS RESCUE)

**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 PRACTITIONERS J F KLOPPER AND R
PIETERS**

J F Klopper and R Pieters

May 2021

1. IMPORTANT INFORMATION AND ACTIONS

| | Date |
|--|------------|
| Board of directors passes resolution for Business Rescue on | 2020-03-23 |
| File notice of resolution with CIPC on | 2020-03-25 |
| Publish notice to affected parties-within 5 days from Filing | 2020-05-05 |
| Company nominates a BRP within 5 days of filing | 2020-03-23 |
| CIPC confirms the appointment of BRP | 2020-03-25 |
| File notice to CIPC on BRP appointment within 2 days | 2020-03-23 |
| Publish notice to affected parties of BRP within 5 days | 2020-03-27 |
| First meeting of creditors-10 days from appointment | 2020-05-12 |
| First meeting of employees-10 days from appointment | 2020-05-12 |
| Publish Business Rescue Plan | 0000-00-00 |
| Notice of meeting to determine Business Rescue Plan | 0000-00-00 |
| Meeting to determine Business Plan 10 days after publication | 0000-00-00 |

2. CURRENT STATUS OF BUSINESS RESCUE PROCEEDINGS

1. Southernera Diamonds (Pty) Ltd was placed under Business Rescue in terms of Section 129(1) of the Companies Act 2008 (“the Act”) on 23 March 2020.
2. Southernera Diamonds (Pty) Ltd (“the Company”) complied with the requirements of Section 129(3)(a) and (b) of the Act.
3. Johannes Frederick Klopper and Rynette Pieters were licensed by the Commission in respect of the company and appointed as Business Rescue Practitioners (BRPs) to this company on 25 May 2020 in terms of Section 138 of the Act.
4. A First Meeting of Creditors was held in terms of Section 147 of the Act on 12 May 2020 and at the meeting creditors with a majority voting interest agreed to the postponement of the date of publication of the business rescue plan to 31 July 2020.

5. In terms of a judgement handed down by Spilg J on 24 November 2021 the Court found that the agreement and Joint Venture between the company and Naka Diamond Mining (Pty) Limited was cancelled prior to the company entering into business rescue proceedings.
6. The written judgement that was outstanding as at 30 November 2020 became available on 1 December 2020 and upon perusal thereof the business rescue practitioners were advised by the Company's attorneys and counsel that the judgement was unsatisfactory in a number of instances and that the Company should consider applying for leave to appeal. However, the other side, in any event, filed a Notice of Application for Leave to Appeal on 10 December 2020.
7. The appeal proceedings are pending.
8. The BRPs published a Business Rescue Plan on 22 April 2021 and which Business Rescue Plan was adopted by a statutory majority of creditors on 6 May 2021.
9. Pursuant to the adopted Business Rescue Plan the BRP's entered into an agreement in terms of which the Company's immovable property be sold.



J F KLOPPER AND R PIETERS
BUSINESS RESCUE PRACTITIONERS

Date: 31 May 2021