



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

June 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. Leave to appeal was granted and the process is ongoing. The BRPs published a Business Rescue Plan on 22 April 2021 which was adopted by a statutory majority of creditors on 6 May 2021.
8. 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. This transaction is however still not completed.



J F KLOPPER AND R PIETERS

BUSINESS RESCUE PRACTITIONERS

Date: 30 June 2021