



SAIL MINERALS PROPRIETARY LIMITED

Registration Number: 2013/101076/07

June 2022

Attention: All Affected Persons of Sail Minerals (Pty) Limited (in business rescue) (“Sail Minerals”)

RE: REPORT ON THE PROGRESS OF THE BUSINESS RESCUE PROCEEDINGS OF SAIL MINERALS

Introduction

1. In terms of section 132(3) of the Companies Act 71 of 2008 (“Act”), if a company’s business rescue proceedings have not ended within three (3) months after the start of those proceedings, or such longer time as the court, on application by the practitioner, may allow, the practitioner must –
 - 1.1. prepare a report on the progress of the business rescue proceedings, and update it at the end of each subsequent month until the end of those proceedings; and
 - 1.2. deliver the report and each update in the prescribed manner to each affected person, and to the:
 - 1.2.1. Court, if the proceedings have been the subject of a court order; or
 - 1.2.2. Commission, in any other case.
2. Therefore, as required, this progress report is being delivered by the business rescue practitioner (“BRP”) in terms of section 132(3) of the Act.
3. Reference is made in this progress report to the prior progress reports and the adopted business rescue plan (“Plan”). Capitalised terms used herein bear the same meaning ascribed thereto in the Plan and/or the Act. It is therefore important that this progress report be read in conjunction with the previous progress reports and the Plan.



CONSERVATION



CONTRIBUTION



INTEGRITY



SAFETY

Business Rescue Proceedings

4. Update on the implementation of the Plan

4.1. As indicated in prior progress reports, the BRP was in the process of consulting with the related and necessary parties required to give effect to the Proposed Restructure, and had prepared various agreements necessary to give effect thereto.

4.2. However, unexpectedly and without the relevant directors disclosing their intention to do so during the aforesaid consultations:

4.2.1. on 8 June 2022, Black Chrome Mine (Pty) Limited (“BCM”) commenced business rescue proceedings by way of a resolution passed in terms of section 129 of the Act; and

4.2.2. on 10 June 2022, Sail Resources (Pty) Limited (“Sail Resources”) commenced business rescue proceedings by way of a resolution passed in terms of section 129 of the Act.

4.3. The aforesaid necessitated further consultations between the BRP of Sail Minerals and the BRPs of BCM and Sail Resources to ascertain the position, the reason for commencing business rescue and the intended proposals to rescue BCM and Sail Resources, particularly in light of the Proposed Restructure in the Plan that has already been adopted and that is binding on the relevant parties.

4.4. These consultations are ongoing and Affected Persons will be provided with further updates in the next progress report.

5. Proof of Claims

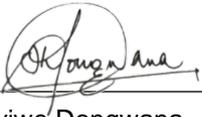
5.1. The BRP’s team is reconciling the claims received to date and will communicate with creditors, individually, regarding the status of their claims.

5.2. To the extent that any claims are disputed, a dispute mechanism has been provided for in the Plan.

Conclusion

6. The BRP will continue implementing the Plan in accordance with his statutory obligations.
7. All relevant notices in respect of the business rescue proceedings of Sail Minerals can be found on <http://www.sailchrome.com>.
8. Please direct any queries to BusinessRescue@sailchrome.com.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Siviwe Dongwana', is written over a horizontal line.

Siviwe Dongwana
(Business Rescue Practitioner of Sail Minerals)