



31 July 2018

**Attention: All Affected Persons of International Ferro Metals (SA) Proprietary Limited (in business rescue)**

Dear Sir/Madam

**NOTICE TO THE AFFECTED PERSONS OF INTERNATIONAL FERRO METALS (SA) PROPRIETARY LIMITED (IN BUSINESS RESCUE) ("THE COMPANY") IN TERMS OF SECTION 132(3)(b) OF THE COMPANIES ACT 71 OF 2008**

Attached hereto is a copy of the progress report in relation to the business rescue proceedings of the Company for July 2018.

Yours faithfully



Trevor Murgatroyd

Business Rescue Practitioner

**Companies and Intellectual Property Commission  
Republic of South Africa**

**Form CoR 125.1**

**About this Form**

- This form is issued in terms of section 132 and 141 of the companies Act, 2008, and Regulation 125 of the Companies Regulations, 2011.
- This Notice and the attached report must be published to every affected person, and to-
  - a) The Commission, if the business rescue proceedings were started by the company; or
  - b) The court, if the proceedings were ordered by the court.
- A report and Notice must be issued at the end of the first three months of the business rescue proceedings, and at regular monthly intervals after that

**Contacting the Commission**

The Companies and Intellectual Property Commission of South Africa

**Postal Address**

PO Box 429  
Pretoria  
0001  
Republic of South Africa  
Tel: 086 100 2472

[www.cipc.co.za](http://www.cipc.co.za)

**Business Rescue Status Report**

**Date:** 31 July 2018

**Customer Code:** MURGAT01

**Concerning**

*(Name and Registration Number of Company)*

**Name:** International Ferro Metals (SA) Proprietary Limited

**Registration No:** 2002/011936/07

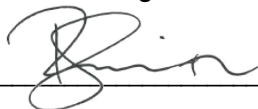
The above named company commenced business rescue proceedings on 26 August 2015.

Because the business rescue proceedings have not concluded within three months, the appointed business rescue practitioner provides the attached report in terms of section 132 (3).

**Name and Title of person signing on behalf of the Practitioner:**

Ryan Smith - Practitioner's Attorney

**Authorised Signature:**



**International Ferro Metals (SA) Proprietary Limited (in business rescue)**

with registration number 2002/011936/07

(the "**Company**")

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**Business Rescue Status Report in terms of Section 132 (3) of the Companies Act 71 of 2008 (the "Act")**

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**1. Introduction**

This report is for the month of July 2018 and is published as an update to the business rescue status report for the month of June 2018 published to affected persons and filed with the Companies and Intellectual Property Commission.

**2. Implementation of the Amended Business Rescue Plan and Sale Agreements**

2.1 All Conditions Precedent to the Sale of Mining Right Agreement have been fulfilled. The BRP has continued to engage with the DMR on the remaining outstanding requests, which appear to have been attended to. We await confirmation of registration of the Notarial Deed of Cession at the Mineral and Petroleum Titles Registration Office, whereupon, Samancor's payment obligations will arise.

2.2 The section 11 application relating to Sky Chrome (Sale of Equity and Claims Agreement) was lodged with the Department of Mineral Resources ("**DMR**") on 15 February 2018.

2.3 The conditions precedent relating to the Sky Chrome transaction will continue to be progressed. The waiver and consent from Bapo Ba Mogale Traditional Authority ("**Bapo**"), dealing with certain suspensive conditions in the Sale of Equity and Claims Agreement which relate to Bapo, has been sent to Bapo for signature. We await the outcome of this, which will continue to be followed up.

**3. Insurance Claim**

3.1 Following lodging of the insurance claim relating to certain theft of and damage caused to property by illegal miners, the services of John Morley (Lloyd Warwick International South Africa (Pty) Ltd) has been engaged to carry out the exercise of determining the loss/damage suffered at Lesedi.

- 3.2 In order to determine an accurate cost of the loss/damage the mine needs to be dewatered as it is currently flooded due to cable theft. The BRP is currently finalising quotes in relation to this exercise.
- 3.3 In the interim, the Company's insurer has issued an "Avoidance Letter" in relation to the claim. The BRP has not accepted this letter and intends opposing any attempt to avoid the insurance policy. Insurance remains in place for above ground assets.


#### 4. **Incident at Sky Chrome**

- 4.1 On 19 July 2017, approximately 120 Marikana community members approached the Sky Chrome security gate and forced the security to abandon its post. Some of the fencing was damaged as a result of this.
- 4.2 The South African Police Services attended on site and by 15h30 in the afternoon, the community members had dispersed and the situation had returned to normal. The security returned to its post and the damaged fence has since been repaired.
- 4.3 Ongoing discussions are continuing between Sky Chrome and relevant community leaders.

#### 5. **Creditor Distributions**

All creditors who have not yet furnished the business rescue practitioner with correct banking details must please do so immediately, so that the dividend due can be paid. Separate notices have been circulated to respective creditors.

SIGNED AT JOHANNESBURG THIS 31<sup>st</sup> DAY OF JULY 2018



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Trevor Murgatroyd

Business Rescue Practitioner of International Ferro Metals (SA) Proprietary Limited