



ANDALUSITE RESOURCES

## NOTICE TO AFFECTED PERSONS

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7 December 2020

### NOTICES TO AFFECTED PERSONS OF ANDALUSITE RESOURCES PROPRIETARY LIMITED (IN BUSINESS RESCUE) IN TERMS OF SECTIONS 144(3)(a), 145(1)(a) AND 146(a) OF THE COMPANIES ACT 71 OF 2008

Capitalised words not otherwise defined in this notice shall have the meaning ascribed to them in the Business Rescue Plan published on 27 November 2020 (as amended).

1. The Business Rescue Plan was published on 27 November 2020 under the cover of a notice dated 27 November 2020. Affected Persons should consider that notice in conjunction with this notice.
2. Notice is now given to the Affected Persons of the Company of amendments made to the business rescue plan published on 27 November 2020 ("Business Rescue Plan").
3. Your attention is drawn to the following amendments made to the Business Rescue Plan.
  - a. **Chapter 2** of the Business Rescue Plan (published on 27 November 2020) mistakenly did not have a paragraph number. A paragraph number has now been inserted and is evident from pages 19 to 54 of the Business Rescue Plan (published on 27 November 2020). Consequent changes to cross references are also affected by this change, and which are reflected in red in the Business Rescue Plan (published on 27 November 2020).
  - b. **Paragraph 2.3** – the postal address of the Company has been changed in this paragraph of the Business Rescue Plan (published on 27 November 2020).
  - c. **Annexure B** - an amendment has been made to PriceWaterhouseCooper's claim. This amendment has changed some of the voting percentages of creditors, although only very slightly.
  - d. **Annexure D** (*TABLE OF COMPARISON OF SALIENT TERMS OF AFRIMAT OFFER AND ARM OFFER IN RELATION TO THE PROPOSED SALE OF BUSINESS OF ANDALUSITE RESOURCES PROPRIETARY LIMITED (IN BUSINESS RESCUE) ("COMPANY") AS AT 27 NOVEMBER 2020*) has been amended and the amendments are reflected in mark-up in red in Annexure D to the Business Rescue Plan.
    - i. The amendments contemplated in this paragraph pertain to the developments that have arisen in relation to the ARM Offer.
    - ii. Following the Business Rescue Plan that was published on 27 November 2020, ARM provided guarantees for the full purchase price of their offer (less the amount of the deposit of R10 000 000, R5 000 000 of which has already been paid). This means that guarantees securing the full purchase price for the ARM offer (less the amount of the deposit of R10 000 000, R5 000 000 of which deposit has already been paid) have been provided by ARM.

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- iii. In light of the abovementioned guarantees having been provided, the Pledged Shares referred to in Annexure D of the Business Rescue Plan that was published on 27 November 2020 are to be released by the Company from the pledge and cession in security thereof in terms of the Pledge Agreement (also referred to in Annexure D of the Business Rescue Plan that was published on 27 November 2020), which Pledge Agreement will accordingly fall away.
4. Affected Persons are advised to consult an independent attorney, accountant or other professional advisor in respect of the Business Rescue Plan, as amended, if necessary.
5. If you have any requests or queries, they may be directed to Sean Christensen [sean.christensen@gcwwadmin.co.za](mailto:sean.christensen@gcwwadmin.co.za)

Yours faithfully

**Gavin Gainsford**  
Andalusite Resources Proprietary Limited (In Business Rescue)