

### Liquidation Estimated Outcome Statement (Section 150(2)(a)(iii)):

1. Arnot Opco (Pty) Limited engaged Deloitte as an expert to calculate the probable dividend that Creditors would receive if the Company were placed in liquidation as at 30 September 2022.
2. In a hypothetical liquidation where Arnot Opco's mining right is lost, value is expected to be significantly eroded, resulting in the sale of assets on a fire sale basis.
3. Most of the entity's fixed assets relate to pre-production expenditure to establish the mine, where further investment and construction would be required to realise the asset as intended by management; we have, therefore, ascribed a realisation value of nil to these assets. We have ascribed a realisation of 25% to certain separable assets, mainly conveyer belts and other plant and surface equipment.
4. The remaining unencumbered assets, including highly sought-after land, coal and other coal related products make up the remaining available free residue.
5. A summary of the Deloitte findings is that the probable dividend per Creditor class is as reflected in the table below:

### Liquidation Dividend per Class of Creditor

Class of Creditor	Estimated Liquidation Dividend (cents / Rand)	Estimated Business Rescue Distribution (cents / Rand)
Secured Creditors	0	
<b>Preferent Creditors</b>		
Employees	100	
SARS	100	
<b>Concurrent Creditors</b>		
Lease and rehabilitation Creditors	100	
Other Concurrent Creditors	8.6	
Subordinated Creditors	0	
Shareholders	0	

### Deloitte Disclaimers:

3. The following Disclaimers of Deloitte apply to the liquidation dividend:
  - 3.1. the probable liquidation dividend (“**Output**”) may not necessarily meet the Affected Persons’ requirements or objectives or address the specific circumstances of the purpose for which access to the Output is required by the Affected Persons;
  - 3.2. the Output does not constitute tax, accounting or legal advice to any Affected Persons and Affected Persons are advised to consult an independent attorney, accountant or any other professional advisor;
  - 3.3. Deloitte shall not be held responsible for any acts or omissions taken by an Affected Persons’ reliance on the Output. Any reliance by the Affected Persons on the Output are entirely at the

Affected Persons' own risk;

- 3.4. Deloitte does not warrant or represent that the information set out in the Output is sufficient or appropriate for the purpose for which access to the Output is required by the Affected Persons;
  - 3.5. Deloitte neither owes nor accepts any legal duty to the Affected Persons whether in contract or in delict (including without limitation, negligence and breach of statutory duty), or howsoever otherwise arising, and shall not be liable in respect of any loss, damage or expense of whatsoever nature which is caused by the Affected Persons' use of (or conclusions drawn by it) the Output, or upon any representation, statement, judgement, explanation or other information obtained from Deloitte or made in relation thereto; and
  - 3.6. Deloitte requires that any Creditor requesting a copy of the detail supporting the liquidation dividend sign a hold-harmless letter in favour of Deloitte. The liquidation estimated outcome statement, if supplied under a hold harmless letter, will be a redacted version due to the commercial sensitivity of the information contained therein and in order to protect the interests of all creditors.
4. Affected Persons should further note the above table has taken into account the time value of money over a two-year period with respect to creditor recoveries.

## Annexures

### Free residue accounts

Rm	NBV	Estimate
(all figures are in ZAR'm unless stated otherwise)		
<b>Unencumbered assets</b>		
Land	17.5	13.1
Buildings	48.3	24.1
Assets under construction	296.0	1.8
Mining development	11.0	-
Computer equipment	0.0	0.0
Mining rights	181.0	-
Raw materials	2.1	2.1
Parts and supplies - Other	2.8	0.3
Parts and supplies - Diesel & fuel	1.0	0.8
Trade receivables	44.0	44.0
Prepayments	0.1	-
Cash	55.9	55.9
Debtors deposits	1.4	1.4
Deferred tax assets - SARS	2.1	-
VAT receivables - SARS	38.6	-
Intercompany receivables	5.0	-
Rehabilitation assets	1 047.3	1 047.3

<b>Net asset realisations</b>	<b>1754.1</b>	<b>1190.8</b>
Less: Present value		
Discount to present value	n.a	(30.1)
<b>Net realisations available to creditors</b>	<b>n.a</b>	<b>1160.7</b>
Less: Liquidation costs		
Trustee fees	n.a	(6.2)
Liquidation costs	n.a	(4.7)
<b>Surplus available to preferent creditors</b>		<b>1149.8</b>
<b>Preferred claims</b>		
s98A employee	n.a	0.6
s99 statutory obligations	n.a	40.8
s101 income tax	n.a	-
<b>Surplus available to concurrent creditors</b>		<b>1 108.4</b>
Concurrent claims	n.a	1 759.4
<b>Surplus available to subordinated creditors</b>		<b>(650.9)</b>
Subordinated claims	n.a	-
<b>Surplus / (deficiency) available to shareholders</b>		<b>(650.9)</b>