



# ARNOTOPCO

## SIXTEENTH BUSINESS RESCUE STATUS REPORT

### Report in terms of Section 132(3) of the Companies Act 71 of 2008 (as amended)

Full Name: Arnot Opco Proprietary Limited (in business rescue)

Registration Number: 2019/072282/07

Registered Office: Farm Rietkuil 491 JS

Private Bag X3

Rietkuil

1097

BRP: Phahlani Mkhombo – Genesis Corporate Solutions

Address: GCS House, 61 Akkerboom Street,

Zwartkop Ext4, Centurion 0157

Date of Appointment: 10 October 2022



#### Contact us

011 513 3000  
013 297 8008  
talktous@arnotopco.com  
www.arnot-opco.com



#### Head Office

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#### Physical Address

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## 1. Introduction

- 1.1. This Report is prepared in terms of section 132(3) of the Companies Act, 2008 (as amended) ("the Companies Act") in respect of the business rescue proceedings of Arnot Opco Proprietary Limited (in business rescue) ("the Company").
- 1.2. The purpose of this Report is to update creditors and affected persons on the progress of the business rescue proceedings of the Company.
- 1.3. This Report is required if a company's business rescue proceedings have not been finalised within three months after the commencement of the business rescue proceedings.
- 1.4. The Report must be read together with other reports previously issued, in the business rescue proceedings of the Company, in terms of section 132(3) of the Act.

## 2. Business Rescue Update

The appeal process in the Supreme Court of Appeal ("**SCA**") remains pending and has not been finalised. Correspondence has been received from the Registrar of the Supreme Court of Appeal advising that the appeal has been set down for hearing on 30 August 2024.

## 3. Operational Update and Business Rescue Initiatives

### 3.1. Operational Update

The Company continues to supply coal to Eskom through rectification while ensuring adequate care and maintenance of the underground workings pending the finalisation of the underground contract miner de-establishment.

### 3.2. Business Rescue Initiatives

#### 3.2.1 Coal Rectification

The Company continues to deliver coal to Eskom through the rectification process and continues to engage with Eskom on strategic initiatives that will address the supply under-delivery in the medium to long term.

#### 3.2.2. DMS Wash Plant

The recommissioning of the DMS Wash Plant by the plant processing contractor is near completion. This development will enable the Company to improve its coal quality management processes, including fulfilling toll-washing commitments reported previously.



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### 3.2.3. Opencast Mining

As previously reported, the Company has appointed a contract miner to mine the Mooifontein pits, Pit 1A and Pit 2, concurrently, including the provision of the necessary capital for the establishment, box-cut construction, associated surface, and auxiliary infrastructure development. The legal teams of the respective companies are currently finalising the transaction agreements.

Contractor mobilisation and site establishment will commence during Q2 FY2025, followed by early-works infrastructure construction activities.

### 3.2.4. Underground Mining

As previously reported, the Company intends resuming underground mining activities immediately after the previous contractor de-mobilizes from site on or before 30 June 2024. Several discussions are underway with potential underground mining contractors and it is the objective of the Company to deliver coal from underground in August 2024.

## 4. Closing Remarks

- 4.1. The BRP will keep creditors and other affected persons abreast of any new developments.
- 4.2. The BRP undertakes to continue providing monthly reports to the Creditors, CIPC and other affected persons on the progress of the business rescue proceedings as required by Act.
- 4.3. All queries regarding the business rescue proceedings of the Company may be addressed to: [ArnotOpcobr@gcs-sa.co.za](mailto:ArnotOpcobr@gcs-sa.co.za). Creditors are reminded that all relevant notices and documents are available online on this link: <https://arnot-opco.com/business-resscue/>

Yours faithfully,

Phahlani Mkhombo  
Business Rescue Practitioner  
Arnot Opco Proprietary Limited (in Business Rescue)  
14 June 2024



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