

TO AFFECTED PERSONS

24 July 2018

UPDATE ON THE BUSINESS RESCUE OF BASIL READ LIMITED (IN BUSINESS RESCUE) (“THE COMPANY”)

1. Further to our communication of 11 July 2018, the Joint Business Rescue Practitioners (“BRPs”) provide the following update on the business rescue proceedings

2. Progress to date

- 2.1. Extension of publication of business rescue plan to 20 August 2018 approved
- 2.2. Preparation of the business rescue plan in progress
- 2.3. Positive engagement with employers continuing in regard to the completion of their projects.
- 2.4. Engagement with lenders ongoing
- 2.5. PCF confirmation agreed to in principle, but subject to lenders’ committee approval

3. Affected party committees

Whilst nominations have been received from affected parties for representation on these committees, the BRP’s have resolved that until such time as PCF is received, no practical purpose would be achieved in the convening of meetings. On receipt of PCF our intention is to convene these meetings without further delay.

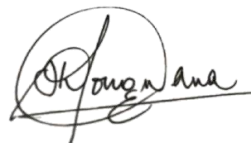
4. Provision of goods and services during business rescue

- 4.1. Many suppliers of goods and services have been requesting whether, during business rescue, their services are still to be provided.
- 4.2. Our general response is that, supply of such goods and services must only take place if specifically authorised in writing by the BRPs.

Yours Sincerely



John Lightfoot
Joint Business Rescue Practitioner



Siviwe Dongwana
Joint Business Rescue Practitioner