

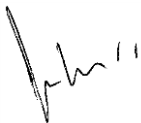
TO EMPLOYEES

24 July 2018

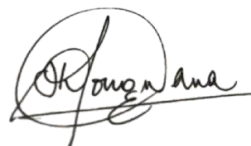
UPDATE ON THE BUSINESS RESCUE OF BASIL READ LIMITED (IN BUSINESS RESCUE) (“THE COMPANY”)

1. Further to our meeting on 29 June 2018, the Joint Business Rescue Practitioners (“BRPs”) provide the following update on the business rescue proceedings
2. Progress to date
 - 2.1. Preparation of the business rescue plan in progress.
 - 2.2. Positive engagement with employers continuing in regard to completion of their contracts.
 - 2.3. Engagement with lenders is ongoing.
 - 2.4. PCF confirmation agreed to in principle, but subject to lenders’ committee approval.
 - 2.5. Extension of publication of business rescue plan to 20 August 2018 approved.
3. The proposed business rescue plan
 - 3.1. The extension of the date for publication of the business rescue plan does not impact on our ability to proceed with the business of completing contracts in progress and any other related business.
 - 3.2. However, confirmation of PCF is critical to the implementation of our business rescue plan and is therefore of priority.
 - 3.3. The provision of the PCF requested will allow us to proceed with the orderly completion of contracts and the realisation of non-core assets, to the benefit of all stakeholders.
4. We are in the process of convening the first Employees Committee meeting.

Yours Sincerely



John Lightfoot
Joint Business Rescue Practitioner



Siviwe Dongwana
Joint Business Rescue Practitioner