ARNOTOPCO

FORTY-FIRST 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

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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 other 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 status quo remains unchanged. The appeal in *Salungano Group Limited v Mashwayi Proprietary Limited and Others* was heard by the Constitutional Court on 19 February 2026, and judgment has been reserved. Creditors will be informed in due course once the Court hands down its decision.

3. Operational Update and Business Rescue Initiatives:

3.1. Mooifontein Pit 1A ("Pit 1A")

In June, the company produced 53,898 tonnes of run-of-mine (ROM) coal from Pit 1A. Overall production was significantly affected by operational challenges, resulting in output volumes well below those achieved in previous months. During the month, approximately 12,300 tonnes were delivered to Eskom, and 24,864 tonnes were sold on the spot market. The remaining coal was carried forward as inventory for the following month. To improve production capacity, the appointed contractor is opening a second mining box on the southern

side of Pit 1A. This development is expected to support a production ramp-up, with Pit 1A targeting at least 150,000 tonnes per month from October 2026.

3.2. Consolidated Pits (Pits 2, 3, and 5)

The establishment of Pit 2 has commenced, with the appointed mining contractor currently developing the box-cut. To date, approximately 43,000 cubic metres of overburden (soft material) have been stripped as part of the pre-production mining activities. Box-cut development is expected to continue for approximately two more months, after which the contractor is anticipated to intersect the first coal seam in October 2026. This milestone will mark the commencement of coal production from Pit 2 and support the mine's planned production growth

Eskom has granted consent to Arnot to initiate a drilling programme on Eskom-owned land, (Farm Mooifontein 448-JS, Portion 5). Progression to mining at Pits 3 and 5 remains conditional upon the conclusion of engagements with surface rights holders, completion of the required drilling programmes, and receipt of all outstanding regulatory approvals.

The resettlement programme remains on track, with construction of replacement housing currently in progress for the thirteen (13) families residing on the Pit 2 property. Completion of the housing units is anticipated by the end of August 2026, in accordance with the approved resettlement schedule.

3.3. Underground Mining Operations

A mining contractor has been appointed to develop and operate the underground mining reserve at 12 Shaft. The contract mining agreement has been finalised.

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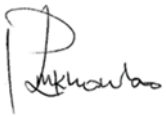
4. Closing Remarks:

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. 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)
30 June 2026

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