ARNOTOPCO

THIRTY-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

Contact us
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013 297 8008
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www.arnot-opco.com

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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

2.1. Creditors will recall that the Constitutional Court has issued a directive requiring the parties to submit written argument, including argument on the merits of the appeals. The written argument including the merits on the appeal must be submitted by the applicant being Salungano Group Limited on or before Friday, 19 September 2025.

2.2. The respondents being Mashwayi (Pty) Ltd; Phahlani Mkhombo N.O; Arnot Opco (Pty) Ltd (in Business Rescue); Ndalamo Coal (Pty) Ltd and Wescoal Mining (Pty) Ltd (in Business Rescue) must submit same on or before, Friday 26 September 2025.

2.3. The hearing date for the appeal will be allocated in due course.

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3. Operational Update and Business Rescue Initiatives

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

We are pleased to report several key milestones reached at **Pit 1a**, marking significant progress since our first hard overburden blast on **29 July 2025**:

- ✓ The first coal blast was completed on **12 August 2025**.
- ✓ Contract mining agreement was signed with the appointed contractor on **13 August 2025**.
- ✓ On **14 August 2025**, the Company hosted the Eskom's Primary Energy team to demonstrate operational readiness to resume coal deliveries.
- ✓ A second coal blast was carried on **25 August 2025**.

More than 60,000 (sixty thousand) tonnes of run of mine coal were produced from Pit 1a following the above coal blasts. However, due to some administrative challenges on Eskom's side, coal supply commenced officially on 6 September 2025, in line with the previously projected timeline.

The Company and the appointed contractor are in the process finalizing agreements for post commencement finance covering interim working capital advanced by the contractor during construction phase, and the development of the box cut, surface and auxiliary infrastructure.

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

The appointed contractor for the Consolidated Pits is in the process of conducting confirmatory drilling at Pit 2 while engagements with surface right holders and regulatory bodies are actively progressing at Pit 2 and Pit 3.

Mining commencement of the Consolidated Pits requires the relocation of fifteen (15) families currently residing on the Pit 2 property.

The Company has purchased stands for all the affected families and is in the process of appointing a service provider to construct and develop the houses.

The construction and resettlement process is anticipated to take between 6 to 12 months. The appointed contractor will begin site establishment and mobilisation activities once the relocation process is complete.

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 signed, and the contractor will also support care and maintenance activities at 10 and 11 Shafts.

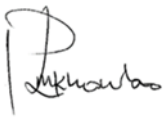
4. Closing Remarks

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,



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Phahlani Mkhombo
Business Rescue Practitioner
Arnot Opco Proprietary Limited (in business rescue)
31 August 2025

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