



**Phumelela Gaming and Leisure Limited
(in Business Rescue)**

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registration number 1997/016610/06

Notice to affected persons

30 November 2020

REPORT IN TERMS OF SECTION 132(3)(a) and (b) OF THE COMPANIES ACT 71 OF 2008 (AS AMENDED) ("the Act')

Dear Sir/Madam,

PHUMELELA GAMING AND LEISURE LIMITED (IN BUSINESS RESCUE) (REGISTRATION NUMBER 1997/016610/06) ("the Company")

REPORT IN TERMS OF SECTION 132(3)(a) and (b) OF THE COMPANIES ACT 71 OF 2008 (AS AMENDED) ("the Act')

1. I refer to my previous status reports issued in respect of the business rescue of the Company.
2. The BRP continues to implement the business rescue plan, by, *inter alia*:
 - 2.1. trading the business of the Company and that of its subsidiaries;
 - 2.2. finalising the audit of its financial statements for the year ended 31 July 2020;
 - 2.3. adjudicating the claims of creditors. This process is ongoing;
 - 2.4. resolving the first rejected claim by way of the dispute resolution proceedings as provided for in the Plan;
 - 2.5. implementing sale transactions already concluded;
 - 2.6. engaging with parties who have expressed an interest in acquiring assets of the company;
 - 2.7. meeting the management, attending board meetings and shareholder meetings of subsidiaries and investee companies;
 - 2.8. engaging the Johannesburg Securities Exchange regarding the future of the company and the continuation or otherwise of its listing;
 - 2.9. preparing the potential arbitration / dispute resolution or court process to resolve in the quickest manner possible Gold Circle's alleged claim to own 39% of the issued share capital of Phumelela Gold International Limited("PGI");

2.10. collecting dividends from PGI and depositing same in the Plan Fund;

2.11. paying distributions to creditors from the Plan Fund as more fully set out below.

3. Distributions to creditors

3.1. Distributions have been and will in future be paid to creditors in accordance with the provisions of the business rescue plan.

3.2. Creditors who have not yet submitted claims against the Company are required to do so. The claims will then be reconciled against the Companies records and thereafter adjudicated by the business rescue practitioner.

3.3. Creditors whose claims have already been reconciled, adjudicated and accepted will if not already notified, receive formal notice of acceptance of their claim.

3.4. Certain claims will be rejected. They will have to be resolved in accordance with the dispute resolution process set out in the business rescue plan.

3.5. Distributions will only be paid to those creditors whose claims have been submitted, reconciled, adjudicated and accepted.

3.6. The following distributions were paid to creditors in November 2020:

3.6.1. Secured Creditors – R45.9 million

3.6.2. Unsecured Creditors – R12.1 million

3.7. Creditors have to date been paid the following amounts:

3.7.1. Secured Creditors – R111.9 million

3.7.2. PCF Creditors – R82.3 million

3.7.3. Unsecured Creditors – R12.1 million

3.8. Equalisation distributions, of 12 cents in the rand, will be paid to those creditors whose claims are subsequently submitted, reconciled, adjudicated and accepted. These equalisation dividends are scheduled to be paid on 15 December 2020 and 29 January 2021 and monthly thereafter.

3.9. Further distributions will be declared as and when funds are available.

Yours faithfully



JOHN EVANS

Duly signed in his capacity as business rescue practitioner of the Company.