



ARNOTOPCO

FORTY-FOURTH 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

011 513 3000
013 297 8008
talktous@arnotopco.com
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 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 the *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 of the outcome once the Court hands down its decision.

3. Operational Update and Business Rescue Initiatives:

3.1. Mooifontein Pit 1A (“Pit 1A”)

During September, the company produced 106,806 tonnes of run-of-mine (ROM) coal from Pit 1A and completed 324,444 bulk cubic metres (bcm) of waste stripping. Of the coal produced, approximately 54,993 tonnes were delivered to Eskom, while a further 60,000 tonnes were sold into the spot market. The balance of production was carried forward as inventory for sale in the following month.

In support of future production growth, the mining contractor removed 26,887 cubic metres of overburden from the second mining box on the southern side of Pit 1A during the month. This development is expected to facilitate a production ramp-up, with Pit 1A targeting a



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minimum monthly output of 131,000 tonnes from October 2026 and reaching a steady-state production level of approximately 150,000 tonnes per month from November 2026 onwards.

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

The establishment of Pit 2 has commenced, with the appointed mining contractor currently undertaking box-cut development activities. To date, approximately 329,166 cubic metres of overburden have been stripped as part of the pre-production mining programme. Box-cut development is expected to continue for a further two months, with first coal anticipated to be intersected in November 2026. This milestone will mark the commencement of coal production from Pit 2 and support the mine's planned production growth strategy.

Eskom has granted Arnot consent to commence a drilling programme on Eskom-owned land located on Farm Mooifontein 448-JS, Portion 5. Advancement of mining activities at Pits 3 and 5 remains subject to ongoing engagements with surface rights holders, completion of the required drilling programmes, and the receipt of outstanding regulatory approvals.

The resettlement programme remains on schedule, with construction of replacement housing currently underway for the thirteen (13) families residing on the Pit 2 property. Completion of the housing units is expected by the end of October 2026, in line with the approved resettlement implementation plan.

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.

3. 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.



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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 September 2026



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