

RESPONSE TO AMABHUNGHANE

1. From the court papers, I understand that DMR awarded the entirety of the mining right to Cheetah Chrome. Is this not in contradiction to the restriction imposed by the mining right?

Response: As LEDA, we think it is, as that is the basis of our court case against Cheetah Chrome and the business rescue practitioners

- a. Furthermore, DMR awarded the mining right to Cheetah Chrome during litigation. Does this not materially prejudice Leda's prospects of gaining control of its 40% stake in Dikolong Chrome Mine?

Response: We believe that the granting of the Section 11 consent on the eve of the High Court hearing severely compromised LEDA's case. More so as such granting was made in total disregard of our attorneys' letters to the DMR. We expected the DMR at the very least to inform us if they didn't share our interpretation of the Mining Right as an organ of State

2. As the business rescue practitioners became involved in Dikolong Chrome Mine, it is assumed they would understand any restrictions on the mining right. Why was the restriction on the mining right overlooked, resulting in Leda losing out on its 40% stake?

Response: Except for what they have stated in their court papers in disputing our claim, we have no further comments in this regard

- a. Why did DMR hand over the mining right without consultations with Leda?

Response: We think the DMR is better placed to respond to this question as they haven't communicated to us on this matter

3. I understand that Leda had applied to appeal in August this year, after the court permitted them to do so on 20 February 2020. What is the current position of the court case between Leda and DMR - will DMR respond to Leda's appeal?

Response: We are awaiting the outcome of the Appeal Court process

- a. What is DMR's view on Leda's allegation that DMR's failure to respond to Leda's legal proceedings resulted in the divestment of the mining right?

Response: The DMR has not officially communicated with us once on the matter despite LEDA being also an organ of State and the DMR didn't respond to a single letter addressed to them by our attorneys acting on our instructions

4. Will some of Leda's subsidiaries such as Corridor Mining Resources participate in the legal action? If so, what is the locus standi of Corridor Mining Resources in the mining right?

Response: The subsidiaries of LEDA will not participate in the action as they lack locus standi in the matter but owing to our strategic intent on mining assets under the control of LEDA and its subsidiaries, Corridor Mining officials were briefed about the matter with Cheetah Chrome

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5. The National Union of Mineworkers has supported the Cheetah Chrome take over, according to court papers. Was this the reason that DMR did not find it necessary to oppose the sale or explain their conduct in the matter?

Response: The DMR is better placed to respond to this question

Regards

Patrick Monkoe | Acting Head: Marketing and Communications

C: +27 (0) 63 699 7778 | E: patrick.monkoe@lieda.co.za



LED A
LIMPOPO ECONOMIC
DEVELOPMENT AGENCY
AN AGENCY OF THE LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

130A Marshall Street
Polokwane, 0699
Tel: +27 15 295 5171
Fax: +27 15 295 5197

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www.lieda.co.za

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