

Friday
24 December 2010

Our Ref: SMG/CMR/DEC2010/24-12/AGI Aluminium

TO: ALL CREDITORS

Dear Sir / Madam

AGI ALUMINIUM (PTY) LIMITED (IN PROVISIONAL LIQUIDATION) – “the company”

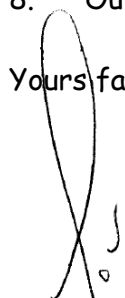
1. The company was provisionally wound up by order of the South Gauteng High Court, Johannesburg (*“the Court”*), on 7 December 2010. The return date of the order is 15 February 2011.
2. The writer together with K C Monyela, T V Matsepe, N A M Tshivhase and S L Magardie have been appointed jointly as provisional liquidators by the Master of the South Gauteng High Court, Johannesburg.
3. On 26 November 2010 Main Street 766 (Pty) Limited (*“Main Street”*), a special purpose vehicle formed by a consortium of five creditor banks to provide funding to the AGI Group (of which the company was a subsidiary) at the time the AGI Group was re-structured in 2009, applied for and was granted an order by the Court entitling it, inter alia, to attach and hold as security for its claim all the movable assets of the company and various associated companies covered by a General Notarial Bond registered in its favour. Main Street accordingly perfected its security and, as at 7 December 2010, held all the movable assets it had attached at various AGI Group premises around the country as security for its claim.

**TO: ALL CREDITORS
RE: AGI ALUMINIUM (PTY) LIMITED
(IN PROVISIONAL LIQUIDATION)**

24 DECEMBER 2010

4. On 21 December 2010, the provisional liquidators applied for and were granted an order by the Court extending their powers authorizing them, inter alia, to cancel leases and dispose of assets. As the trading operations of the company and, in fact, the entire AGI Group, had effectively ceased on or about 26 November 2010, no further income was being generated and fixed overhead costs such as rental, security guard costs, staff costs etc continued to accrue. Hence the need for the extension of powers to enable the provisional liquidators to cut costs as expeditiously as possible.
5. Various parties have expressed interest in purchasing certain of the assets of the company and those of other AGI Group subsidiaries and the provisional liquidators will enter into negotiations with such parties once sufficient information to enable them to do so has been established. The provisional liquidators have employed certain administrative and technical staff members to assist, inter alia, with the collection of debtors and establishing information relating to the affairs of the company and associated companies.
6. As it seems that most, if not all, of the movable assets are held as security by Main Street (including the debtors book which is ceded), the prospect of dividends to preferent and concurrent creditors at this stage appears unlikely.
7. Notwithstanding the above, claim forms are enclosed herewith for those creditors who wish to submit claims at this stage.
8. Our further report will follow.

Yours faithfully



S M GORE
JOINT PROVISIONAL LIQUIDATOR