

I N D E P E N D E N T

C O R P O R A T E R E C O V E R Y A D V I S O R S

Independent Trustees (Pty) Limited (Reg No 2002/025164/07)
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Date: **22 January 2010**

TO ALL INVESTORS

Dear Sir/Madam

KINGS MATTERS

We wish all of you an excellent and healthy 2010.

1. We confirm that the Liquidators are still in the process of:
 - 1.1. Gathering of data and information from creditors / investors
 - 1.2. Perusing of valuations received in respect of the immovable properties, and thereby determining the financial position of each company;
 - 1.3. Being involved in a continuous process with the administrators who have been appointed to collect the rental income relating to the immovable properties and in discussions with them to the increase of the occupancy and to maintain the properties;
 - 1.4. Discussion with and preparation for legal actions against parties who are in arrears with rental;
 - 1.5. Attending to investigations with the view to interrogate certain role players;
 - 1.6. Determining the total liabilities of each company based upon the investors records(not that of the companies itself);
 - 1.7. Requesting and perusal of all formal claim documents from all bondholders;
2. The plan for the year ahead is:
 - 2.1. To finalise the process above;
 - 2.2. To debate the available options for the realisation of assets and to determine the way forward;
 - 2.3. To investigate and negotiate with all parties who have expressed an interest to present restructuring plans in respect of certain companies;
 - 2.4. To meet with important role-players such as Financial Services Board ("FSB") to gather information of how the Group's business was conducted, with a view to obtaining legal opinion on the validity of shares which were issued in the Group and to determine against which companies investors' claims will be;
 - 2.5. To continue with the general administration in terms of the Companies Act, read with the Insolvency Act.

Independent Trustees (Pty) Ltd is a member of **hww insolvency cooperation partners**

Austria (Vienna) Brazil (Sao Paulo) Cayman Islands (Grand Cayman) Czech Republic (Prague) France (Paris) Germany (Hamburg) Great Britain (London)
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Directors:

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* Member of the Association of Insolvency Practitioners of Southern Africa ("AIPSA")

With reference to paragraph 1.3 above and with the regard to the Edrei investors, a further notice was posted on our website at www.corprecover.co.za.

With reference to paragraph 2.2 above we confirm that the Liquidators will be selling the following properties by public auction on 9 and 12 February 2010 being: Walmer, Port Elizabeth and Carswald 98, Midrand belonging to RZT Zelpy 4613 (Pty) Ltd and RZT Zelpy 4616 (Pity) Ltd respectively. In both cases it is unlikely that the properties will realise more than what is due to the respective bondholders.

Yours Faithfully

INDEPENDENT TRUSTEES (PTY) LIMITED

RYNETTE PIETERS

(Sent electronically and therefore not signed)