

13.02.2012

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TO: ALL KING GROUP INVESTORS

Dear Sir/Madam

KING GROUP

Our circular to investors in August 2011, which was posted on www.corprecover.co.za, advised that investors would be notified as soon as the outcome of criminal proceedings against various individuals was clear, and would then also be advised as to the process to be followed for claims to be lodged and admitted to proof. At that point we had been informed by the authorities responsible for pursuing the criminal proceedings that they estimated that their investigations would be finalized by the end of September 2011.

Unfortunately it now appears that the criminal proceedings will be protracted and may not be finalized for a considerable period. We cannot wait for the process to be completed, even though it would have removed many of the complexities involved in the claims process.

We have therefore spent a considerable amount of time with our legal team identifying alternative courses of action. As you will appreciate, the complexities of this group and the investments therein means that there is no quick or simple solution.

Having considered all of the facts and circumstances and taken appropriate advice, we have now decided to approach the courts for an order which would, if granted, allow for the orderly and expedited finalisation of the claims process, with payment to qualifying persons to follow as soon as possible thereafter.

The legal team will now be instructed to prepare a court application that will facilitate this, and such application will be launched as soon as is reasonably possible.

Yours faithfully

King Group joint liquidators Independent Trustees & Sanek Trustees