



Main Street 800 (Pty) Ltd (In Business Rescue)

Registration Number: 2010/005759/07

Email: businessrescue@makunyula.co.za

www.makunyula.co.za

PROCESS LETTER

Invitation for Expressions of Interest and Process for the Submission of Binding Offers

MAIN STREET 800 PROPRIETARY LIMITED (IN BUSINESS RESCUE)



Issued by Sipho Sono of OPIS Advisory Proprietary Limited, in his capacity as business rescue practitioner of Main Street 800 Proprietary Limited (in business rescue)

27 October 2026

c/o OPIS Advisory (Pty) Ltd

Infinity Business Park, Block B, 4 Pieter Wenning Road, Fourways, 2191

Business Rescue Practitioner: Sipho Sono

Director: Mzwandile Nombewu

27 October 2026

Important notice: This letter is addressed only to prospective investors that meet the qualifying criteria set out in it. It is published for information purposes only and does not constitute an offer to the public, an offer to sell or an invitation to subscribe for or acquire any shares, securities, business or assets.

Dear Sir/Madam

PROCESS LETTER – INVITATION TO SUBMIT EXPRESSIONS OF INTEREST AND BINDING OFFERS FOR AN INVESTMENT IN MAIN STREET 800 PROPRIETARY LIMITED (IN BUSINESS RESCUE) OR THE ACQUISITION OF ITS BUSINESS AND ASSETS

1 INTRODUCTION

- 1.1 This process letter is issued pursuant to the general invitation for expressions of interest published in Mining Weekly on 12 October 2026 (the "**General Invitation**") in respect of an investment in Main Street 800 Proprietary Limited (in business rescue) (registration number 2010/005759/07) ("**Main Street**" or the "**Company**") or the acquisition of its business and assets, including the Makunyula Anthracite Mine, also known as the KaNgwane Anthracite Project (the "**Mine**"). We appreciate your interest.
- 1.2 This letter is issued by Mr Siphiso Sono of OPIS Advisory Proprietary Limited, in his capacity as the duly appointed business rescue practitioner of the Company (the "**BRP**") in terms of the Companies Act 71 of 2008 (the "**Companies Act**"), in implementation of Option B of the amended business rescue plan published on 26 March 2026 and adopted by the requisite majority of creditors on 13 April 2026 (the "**BR Plan**"). The General Invitation, this process letter, the non-disclosure agreement and the teaser are issued pursuant to the implementation of the BR Plan, which is available for download together with these documents.
- 1.3 This document sets out the requirements for expressions of interest, the qualifying criteria, the bid protocols and the process to be followed to submit final, binding offers in respect of the Proposed Transaction (as defined in paragraph 3.1 below) (the "**Investor Process**").

2 INFORMATION ON THE COMPANY AND THE MINE

- 2.1 A teaser document accompanies this process letter and provides important information about the Company, the Mine and its operations, and the business rescue proceedings. This process letter should be read together with the teaser and therefore does not describe the Company or its operations.
- 2.2 The independent competent person's report on the Mine, the bankable feasibility study and its updated financial model, and the underlying geological and drilling data will be made available to qualifying bidders in the virtual data room.

3 THE PROPOSED TRANSACTION

- 3.1 The BRP invites proposals for the development and/or capitalisation of the Mine that also provide for the settlement of creditors' claims in the business rescue proceedings of the Company. Proposals may be structured as:
 - 3.1.1 an acquisition of the business and assets of Main Street as a going concern, including the mining right (section 11 consent required);
 - 3.1.2 a subscription for, or purchase of, shares in Main Street, together with the provision of the required funding (section 11 consent may be required if there is a change of control). Such a transaction may also require the consent of the shareholders of Main Street. Bidders should note that the BR Plan currently

contemplates the transaction in paragraph 3.1.1, which does not require shareholder consent; or

- 3.1.3 any other structure that the bidder demonstrates will deliver a better result than either of the above (the "**Proposed Transaction**").
- 3.2 Preference will be given to proposals that secure the development and long-term survival of the Mine and that achieve the best return for the creditors of the Company.
- 3.3 Bidders are advised that any transfer of the mining right or of a controlling interest in the Company requires the prior written consent of the Minister of Mineral and Petroleum Resources in terms of section 11 of the Mineral and Petroleum Resources Development Act 28 of 2002 (the "**MPRDA**") and may require approval by the competition authorities in terms of the Competition Act 89 of 1998 (the "**Competition Act**").
- 3.4 Bidders are further advised that the capital required to bring the Mine to steady-state production, including capital expenditure on pollution control dams, the electrification and the completion of a new wash plant (should they deem it necessary), together with the associated working capital, has previously been estimated to exceed R250 000 000. The updated financial model for the bankable feasibility study (May 2018) estimated the total capital cost over the life of the Mine, including the underground phase and on a contractor-operated basis for mining and coal processing, at approximately R840 million in 2018 terms. Bidders must form their own view of the funding required and provide proof of funding.

4 PHASE 1: INVITATION FOR EXPRESSIONS OF INTEREST

- 4.1 The BRP invites interested parties to express their interest in being selected as a qualifying bidder for the purposes of the Proposed Transaction by submitting their expressions of interest in writing by no later than 17h00 on **Friday, 29 January 2027**. The expression of interest must be marked for the attention of Sipho Sono and Kamo Mokhesi and submitted by email to the following address:

businessrescue@makunyula.co.za
- 4.2 The following information relating to the interested party must accompany the expression of interest in order for the interested party to be regarded as a "qualifying bidder":
 - 4.2.1 a duly executed copy of the non-disclosure agreement provided together with this letter;
 - 4.2.2 the identity of the interested party including details of its shareholders or members, directors and ultimate beneficial owners, as well as, where the interested party is a consortium, the identity and role of each consortium member;
 - 4.2.3 certificate of incorporation and current CIPC company registration documents;
 - 4.2.4 a valid tax compliance status PIN issued by the South African Revenue Service (for locally registered entities);
 - 4.2.5 a brief description of the nature of the business or activities conducted by the interested party, including its experience in developing and operating opencast and/or underground coal mines;
 - 4.2.6 a summarised description of the basis for the interested party's interest in Main Street and the Mine ("**Investment Rationale**");
 - 4.2.7 an indicative transaction structure with the proposed treatment of the claims of creditors (including post-commencement finance claims) and of the Company's existing contractual arrangements, where the interested party

proposes to retain the business within the Company rather than acquire the business and assets of the Company;

- 4.2.8 a letter from a reputable bank or financial institution evidencing that the interested party either has existing facilities or will be in a position to secure facilities amounting to a minimum of R250 000 000 (two hundred and fifty million Rand) to fund the development of the Mine and the necessary capital expenditure and working capital;
 - 4.2.9 audited annual financial statements of the interested party (and, where the interested party is a consortium, of each consortium member) for the last two financial years, as additional evidence of its financial capacity to implement the Proposed Transaction;
 - 4.2.10 the sources of financing required to complete the Proposed Transaction, their availability and any contingencies or material conditions relating thereto;
 - 4.2.11 an indication of the level of review and approval within the interested party's organisation obtained before the submission of its expression of interest;
 - 4.2.12 any material conditions upon which the interested party is basing its expression of interest;
 - 4.2.13 the interested party's proposed timetable for consummating the Proposed Transaction;
 - 4.2.14 identification of the interested party's key review team members including their contact information and functions;
 - 4.2.15 a declaration of any existing or potential conflict of interest or any relationship between the interested party (or its related parties) and the Company, its shareholders, creditors, contractors or the BRP; and
 - 4.2.16 a demonstration that the interested party has the financial, technical and operational capacity to implement the Proposed Transaction and to comply with the regulatory requirements applicable to the holder and operator of a mining right including under the MPRDA, the National Environmental Management Act 107 of 1998, the National Water Act 36 of 1998 and the Mine Health and Safety Act 29 of 1996, and to provide for the environmental rehabilitation obligations of the Mine.
- 4.3 A checklist of the required documents is attached as Annexure A. The BRP will evaluate the expressions of interest based on the information received under this paragraph 4 and will notify the interested parties on or before **Friday, 26 February 2027** whether they have met the qualifying criteria and have been shortlisted as qualifying bidders to progress to Phase 2.

5 PHASE 2: DUE DILIGENCE AND BINDING OFFERS

- 5.1 Qualifying bidders will proceed with the Investor Process as follows:
- 5.1.1 qualifying bidders will be granted access to a virtual data room, upon payment of the commitment fee referred to in paragraph 5.2, containing the relevant information pertaining to the Company. All due diligence questions must be submitted to the business rescue team for assessment. The BRP and his technical team will provide the requisite responses to the bidders' queries;
 - 5.1.2 qualifying bidders will be granted meetings with the BRP and, by prior arrangement, site visits to the Mine. Site visits are subject to the site's safety induction and to compliance with the requirements of the Mine Health and Safety Act 29 of 1996;

- 5.1.3 qualifying bidders will be required to complete a desktop due diligence and to submit non-binding offers in writing by no later than Friday, 23 April 2027, following which the BRP will by Friday, 30 April 2027 notify bidders whether they have been shortlisted to proceed to final due diligence; and
 - 5.1.4 qualifying bidders will be required to submit final, binding offers in writing ("**Offers**") by no later than 17h00 on **Friday, 10 September 2027**.
- 5.2 Qualifying bidders that are invited to proceed to Phase 2A will be required to pay a refundable commitment fee of R2 000 000 (two million Rand) before being granted access to the virtual data room. Bidders that are shortlisted to proceed to Phase 2B will be required to top up the commitment fee to R5 000 000 (five million Rand). All commitment fees will be invested in an interest-bearing trust account of the BRP.
- 5.3 A bidder whose Offer is rejected will be entitled to a full refund of its commitment fee, together with the interest earned on it. A preferred bidder whose Offer has been accepted by creditors will forfeit its commitment fee if it fails to provide adequate guarantees for its Offer.
- 5.4 Each Offer must, as a minimum:
 - 5.4.1 be irrevocable and remain open for acceptance for a period of not less than 90 days from the date of submission;
 - 5.4.2 be accompanied by firm evidence of committed funding for the consideration, the capital expenditure and the working capital required to bring the Mine to steady-state production;
 - 5.4.3 set out the bidder's development plan for the Mine and the expected time to steady-state production;
 - 5.4.4 set out the bidder's proposed treatment of the post-commencement finance, the Company's existing contractorship and offtake agreements (including any early termination amounts), the legacy agreements (where the bidder proposes to acquire shares in the Company), the surface lease arrangements with landowners/farmer groups and the social and labour plan commitments of the Mine;
 - 5.4.5 set out how the bidder will provide for the environmental rehabilitation obligations of the Mine, including any replacement of the existing financial provision;
 - 5.4.6 set out all conditions precedent including regulatory approvals and the anticipated timeframe for their fulfilment;
 - 5.4.7 confirm that the bidder has completed its due diligence and has obtained all internal approvals required to submit the Offer.
- 5.5 Offers will, among other things, be evaluated on the following criteria, which will be set out in more detail in the information memorandum:
 - 5.5.1 the consideration offered and the resulting return to creditors of the Company;
 - 5.5.2 certainty and speed of closing the Proposed Transaction;
 - 5.5.3 the extent of the changes proposed to the transaction agreements;
 - 5.5.4 how and when the consideration will be paid;
 - 5.5.5 confirmation of funding capacity, ability and source of funding, including for the development of the Mine;
 - 5.5.6 technical and operational capacity to develop and operate the Mine safely and in compliance with applicable law;

- 5.5.7 the treatment of landowners, host communities and other affected persons in the region with consideration of the social and labour plans;
 - 5.5.8 the treatment of the Company's existing contractual arrangements, where the business is to be retained within the Company;
 - 5.5.9 existing or potential conflicts of interest between the bidder and the Company; and
 - 5.5.10 the conditions and approvals required to conclude the Proposed Transaction, in particular any approvals required under section 11 of the MPRDA and the Competition Act.
- 5.6 Following the evaluation of the Offers, the BRP may select a preferred bidder and a reserve bidder. The BRP may negotiate with the preferred bidder with a view to concluding the transaction agreements. The Offer of the selected bidder will be incorporated into a further amendment to the BR Plan, which will set out the effect of the Offer on the claims of creditors and will be presented for consideration at a meeting of creditors convened in terms of the Companies Act. Implementation of the Proposed Transaction will be subject to the adoption of the amended BR Plan and the fulfilment of all applicable conditions precedent including regulatory approvals.

6 TIMETABLE

- 6.1 The timetable for the Investor Process is set out in Annexure B. The timetable is subject to revision at the discretion of the BRP, who will notify bidders of any amendment.

7 BID PROTOCOLS

- 7.1 All communications in relation to the Investor Process must be directed to the BRP and his team at the email address set out in paragraph 9 below. Interested parties may not, without the prior written consent of the BRP, contact the shareholders, directors, creditors, contractors, offtakers, landowners or host communities of the Company, or any regulatory authority in connection with the Company, the Mine or the Proposed Transaction.
- 7.2 Interested parties must not collude with any other interested party or engage in any conduct intended to influence the outcome of the Investor Process improperly. The BRP may disqualify any interested party that does so.
- 7.3 Each interested party may submit only one expression of interest and one Offer, whether alone or as a member of a consortium. The composition of a consortium may not be changed after the submission of its expression of interest without the prior written consent of the BRP.
- 7.4 All submissions must be in English, and all amounts must be stated in South African Rand.

8 TERMS, RESERVATION OF RIGHTS, CONFIDENTIALITY AND DISCLAIMER

- 8.1 Expressions of interest and Offers received after the cut-off times and dates specified above may, in the sole discretion of the Company and/or the BRP, be accepted or rejected without further consideration.
- 8.2 After the BRP has received the expressions of interest, the Company will notify the interested parties in writing whether they have been included in a shortlist of qualifying bidders. The BRP will only provide further information in respect of the Proposed Transaction to shortlisted qualifying bidders.

- 8.3 Information made available to qualifying bidders during the Investor Process, including the contents of the virtual data room, is strictly confidential and is subject to the terms of the non-disclosure agreement. Such information may not be disclosed to any third party or used for any purpose other than evaluating and participating in the Investor Process without the prior written consent of the Company and/or the BRP.
- 8.4 The Company and/or the BRP reserve the right, in their sole discretion –
- 8.4.1 to accept or reject any expression of interest or Offer or to refuse to register any expression of interest at any time before or after the dates referred to above; and
- 8.4.2 at any time, to amend, deviate from, discontinue or terminate the Investor Process or the Proposed Transaction or to replace it with another process or proposed transaction,
- in each instance without incurring any liability whatsoever towards you, any other interested party or any other person.
- 8.5 The submission of any of the required documents and/or an expression of interest or Offer does not in any way obligate the Company, its shareholders and/or the BRP in any manner, and shall in no way be construed as an assurance or guarantee of you being selected as a qualifying bidder, preferred bidder or reserve bidder in relation to the Proposed Transaction and/or any related transaction.
- 8.6 The selection of the preferred bidder and the reserve bidder shall at all times remain at the sole and absolute discretion of the BRP subject to the adoption of the amended BR Plan by creditors in terms of the Companies Act.
- 8.7 You will be liable for all costs and expenses incurred by you in connection with the preparation and/or submission of your expression of interest, your Offer and any related information, and your participation in the Investor Process.
- 8.8 This document is published for information purposes only. It is not binding on the Company, its shareholders and/or the BRP and does not constitute an offer for the acquisition of any shares or other equity in the Company or any part of its business or assets or any claims against the Company, nor does it constitute a commitment or obligation to offer the shares in the Company, to dispose of the business or assets of the Company or to permit participation in the Proposed Transaction or any transaction related thereto.
- 8.9 This document does not constitute legal, accounting, business, tax, technical or financial advice. In considering whether to submit an expression of interest or an Offer you should rely on your own analysis and enquiry of the Company, the Mine and the Proposed Transaction, including the merits and risks involved, in order to arrive at an independent evaluation of the Proposed Transaction.
- 8.10 No representation or warranty, express or implied, is or will be given, and no responsibility or liability is or will be accepted, by the Company, the BRP or any of their directors, officers, employees or advisors (collectively, "**Representatives**") as to the accuracy or completeness of this document, or of any information made available in the Investor Process, or for any consequences of reliance on the information herein. Any liability of any of the foregoing for the accuracy or sufficiency thereof, or for any errors, omissions or misstatements, negligent or otherwise, relating thereto is expressly disclaimed. By accepting and reading this document you acknowledge and agree to the foregoing disclaimer.
- 8.11 The matters discussed herein may involve risks and uncertainties, including in respect of mineral resources and reserves, commodity prices, regulatory approvals and the business rescue proceedings. Neither the Company nor any of its Representatives assumes any obligation to update any forward-looking information contained herein,

and no liability is assumed for the accuracy of any of the information presented herein as of a future date.

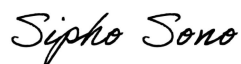
- 8.12 The Company and/or the BRP reserve the right to amend, modify or withdraw this document or any part of it, or to terminate or amend any procedure, process or requirement set out in this document, at any time without prior notice and without liability to compensate or reimburse any person pursuant to any such amendment, modification, withdrawal or termination.
- 8.13 Nothing in this document amends the BR Plan. In the event of any conflict between this document and the BR Plan or the Companies Act, the BR Plan and the Companies Act shall prevail.
- 8.14 Personal information submitted by interested parties will be processed by the BRP solely for the purposes of the Investor Process, in accordance with the Protection of Personal Information Act 4 of 2013.
- 8.15 This document and the Investor Process shall be governed by the laws of the Republic of South Africa.
- 8.16 This document shall remain the property of the Company, and the Company reserves the right to require the return or destruction of this document (together with any copies or extracts hereof) at any time.

9 CONTACT DETAILS

- 9.1 All submissions and enquiries in respect of the Investor Process must be directed to:

Name	Role	Email
Sipho Sono	Business Rescue Practitioner	businessrescue@makunyula.co.za
Kamo Mokhesi	Project Lead, OPIS Advisory	businessrescue@makunyula.co.za

Yours faithfully,



SIPHO SONO

Business Rescue Practitioner

ANNEXURE A

Expression of Interest – Submission Checklist

Interested parties are requested to complete this checklist and submit it with their expression of interest, indicating where each document can be found in their submission.

#	Document	Provided (Y/N)	Reference
4.2.1	Executed non-disclosure agreement		
4.2.2	Identity of interested party, shareholders, directors and ultimate beneficial owners (and consortium members)		
4.2.3	Certificate of incorporation and CIPC registration documents		
4.2.4	SARS tax compliance status PIN		
4.2.5	Description of business and coal mining experience		
4.2.6	Investment Rationale		
4.2.7	Indicative transaction structure and treatment of creditors and existing contractual arrangements		
4.2.8	Bank / financial institution funding letter (minimum R250 million)		
4.2.9	Audited annual financial statements (last two financial years)		
4.2.10	Sources of financing and related conditions		
4.2.11	Internal approvals obtained		
4.2.12	Material conditions		
4.2.13	Proposed timetable		
4.2.14	Key review team members and contact details		
4.2.15	Conflict of interest declaration		
4.2.16	Demonstration of financial, technical and operational capacity		

ANNEXURE B

Investor Process Timetable

The timetable below is subject to revision at the discretion of the BRP, who will notify bidders of any amendment.

Key Dates	Date
Phase 1 – Expressions of interest	
Publication of the invitation for expressions of interest in Mining Weekly and direct approach to known parties (including previous bidders)	Monday, 12 October 2026
Teaser, this Process Letter, the non-disclosure agreement and the BR Plan available for download at opisadvisory.co.za/investment-opportunities	Tuesday, 27 October 2026
Deadline for submission of expressions of interest (signed non-disclosure agreement and evidence of operational and financial capacity)	17h00, Friday, 29 January 2027
Notification of qualifying and non-qualifying bidders	Friday, 26 February 2027
Phase 2A – Desktop due diligence and non-binding offers	
Payment of the R2 million commitment fee by qualifying bidders	Monday, 1 March 2027
Opening of the virtual data room and distribution of the information memorandum and the Phase 2 instruction letter	Tuesday, 2 March 2027
Desktop due diligence and written Q&A	3 March – 2 April 2027
Clarification of desktop due diligence findings with the BRP and the technical team	5 – 22 April 2027
Deadline for submission of non-binding offers	Friday, 23 April 2027
Evaluation of non-binding offers	26 – 29 April 2027
Notification of shortlisted bidders and issue of the final due diligence protocol	Friday, 30 April 2027
Phase 2B – Final due diligence and binding term sheets	
Payment of the top-up of the commitment fee to R5 million by shortlisted bidders	Friday, 14 May 2027
Opening of final due diligence (three months), including access to an updated virtual data room containing the additional information requested by bidders, site visits to the Mine and technical and legal sessions	Monday, 24 May 2027
Distribution of the draft term sheet to shortlisted bidders	Friday, 11 June 2027
Deadline for submission of marked-up term sheets (end of final due diligence)	Friday, 20 August 2027
Review and clarification of each bidder's term sheet mark-up	23 August – 3 September 2027
Deadline for submission of signed final binding term sheets, with proof of funding (valid for 90 days, to 9 December 2027)	Friday, 10 September 2027
Phase 3 – Evaluation and amended BR Plan	
Evaluation and ranking of the bids in order of preference	13 – 24 September 2027
Publication of the further amended BR Plan and notice of the section 151 meeting of creditors	Friday, 8 October 2027
Section 151 meeting of creditors to consider and vote on the further amended BR Plan and the ranking of bids	Friday, 22 October 2027
Notification of the selected bidder and of the reserve bidders' ranking	Monday, 25 October 2027
Phase 4 – Transaction agreements and regulatory approvals	
Negotiation of the transaction agreements (including any post-commencement finance agreement)	25 October – 3 December 2027
Signature of the transaction agreements	Friday, 3 December 2027

Key Dates	Date
Lodgement of the merger notification with the Competition Commission (if notifiable)	Friday, 17 December 2027
Competition clearance	Tuesday, 14 March 2028
Lodgement of the section 11 MPRDA application	Friday, 24 March 2028
Lodgement of the water use licence transfer applications with the Department of Water and Sanitation	Friday, 24 March 2028
Section 11 MPRDA consent	Friday, 23 March 2029 (assumed)
Approval of the water use licence transfers	By Friday, 23 March 2029 (assumed)
Phase 5 – Closing and implementation	
Closing: transfer of the business assets, payment of the purchase consideration and first dividend distribution	Friday, 6 April 2029
Substantial implementation (notice filed with CIPC)	After closing