

D P COHEN N.O.

22 JUNE 2018

TO THE INVESTORS

Dear Sirs

**CIRCULAR TO INVESTORS IN TERMS OF THE SCHEME OF ARRANGEMENT
BETWEEN ORTHOTOUCH LIMITED AND HIGHVELD SYNDICATION
INVESTORS IN TERMS OF SECTION 155 OF THE COMPANIES ACT NO. 71 OF
2008 (AS AMENDED)**

Further to my circular dated 8 June 2018 I undertook to report on a number of issues:

1. Regarding the liquidation application brought by Mrs S M Pretorius (represented by Adv. Bolt) against Zephan, the financial underwriter of the arrangement which was heard on 14 June 2018 in Bloemfontein where I sought the right to intervene in the liquidation application, the court postponed the intervention for argument until 13 September 2018 and the liquidation application was postponed sine die (without a date).

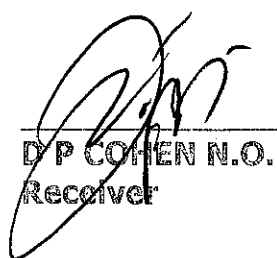
At the last minute, Mr R G Pollastrini, an investor also applied for the right to intervene on behalf of himself and a number of other investors. I am advised that should other investors wish to intervene, then they should contact Mr Pollastrini's attorney C S Leonard at her email address being leonard.att@gmail.com. If you provide the details of the investment including your full names, address, occupation and contact details, then it will be arranged for you to join the intervention application at no cost

2. I am advised that a number of investors have stepped forward about Mr Johan Pretorius's advice regarding inappropriate investments in the HSs. Their complaints are being handled by an attorney who specialises in FAIS Ombudsman matters.

If you wish to lay complaints with the FAIS Ombudsman against any financial or other broker who you believe advised you to invest in HSs and in your view was inappropriate for your needs, then please forward your details to admin@orthotouch.co.za who will refer same to the specialist attorney.

3. I notice from the latest HSAG newsletter lead by Mr J Theron that the interest relating to investors whose interest has been paid into an independent attorney's trust account could have been "stolen" by myself. Not only is this a blatant untruth, you are also reminded that the funds deposited into an independent attorney's trust account under my control was invested with one of the big 4 banks and payments therefrom can only be made to investors alternatively returned to Zephan. I have no claim against the funds.
4. In my last circular I had informed you that payments to the Alternative 2 investors would be finalized and that the share transfers to Alternative 3 investors would similarly be completed by the end of June 2018. I have recently learned that this is no longer achievable.
5. Finalization of Alternative 2 and 3 is reliant upon the completion of a fairly complex suite of agreements. My attorneys have however, to the best of their ability, satisfied themselves that the transactions will be finalized by the end of October latest. I am also advised that the delays are caused by bureaucratic hurdles that have to be overcome and not because of flaws in the transactions.
6. According to my attorneys these delays will not inordinately prejudice investors in the light of the undertaking by Zephan to continue paying interest pending finalization.
7. Should you require any details, you may direct any enquiries to admin@orthotouch.co.za who will be able to assist you.

Yours sincerely,



D.P. COHEN N.O.
Receiver

D P COHEN N.O.

22 JUNIE 2018

AAN DIE BELEGGERS

Geagte Meneer / Me.

OMSENBRIEF AAN BELEGGERS INGEVOLGE DIE REËLINGSKEMA TUSSEN ORTHOTOUCH BEPERK EN HIGHVELD SYNDICATION-BELEGGERS KRAGTENS ARTIKEL 155 VAN DIE MAATSKAPPYWET, 2008 (WET 71 VAN 2008, SOOS GEWYSIG)

In my omsendbrief van 8 Junie 2018 het ek onderneem om oor 'n aantal kwessies verslag te doen:

1. Die likwideringsaansoek wat mev. S.M. Pretorius (verteenwoordig deur advokaat Bolt) teen Zephan Properties (Edms) Bpk ("Zephan"), die finansiële onderskrywer van die reëlinskema, ingedien het, het op 14 Junie 2018 voor die hof in Bloemfontein gediën. Ek het by hierdie geleentheid gevra om tussenbeide te tree, en die hof het die saak tot 13 September 2018 uitgestel vir betoë hieroor. Die likwideringsaansoek is *sine die* (onbepaald) uitgestel.

Mnr. R.G. Pollastrini, 'n belegger, het op die nippertjie ook aansoek gedoen om namens homself en 'n paar ander beleggers tussenbeide te tree. Blykbaar moet ander beleggers wat tussenbeide wil tree, met mnr. Pollastrini se prokureur, me. C.S. Leonard, in verbinding tree by die e-posadres leonard.att@gmail.com. Indien u die besonderhede van u belegging verskaf, asook u volle name, adres, beroep en kontakbesonderhede, sal sy reël dat u kosteloos by die aansoek ingesluit word.

2. Ek verneem dat 'n aantal beleggers na vore gekom het oor meneer Johan Pretorius se beweerde onvanpaste advies oor belegging in Highveld Syndications. Hulle klagte word deur 'n prokureur hanteer wat in sake rakende die FAIS-ombudsman spesialiseer.

Indien u 'n klag by die FAIS-ombudsman wil indien teen enige finansiële adviseur of ander makelaar wat u aangeraai het om in Highveld Syndications te belê sonder dat dit – volgens u mening – in u belang was, stuur asseblief u besonderhede na admin@orthotouch.co.za, wat dit na die spesialis-prokureur sal aanstuur.

3. Ek lees in mnr. J. Theron se hoofberig in die jongste HSAG-nuusbrief dat ek kwansuis beleggers se rente wat in 'n onafhanklike prokureur se trustrekening betaal is, "kon steel". Hierdie bewering is van alle waarheid ontbloot. Ek herinner u graag daaraan dat die geld wat in 'n trustrekening onder my beheer inbetaal is, by een van die "Groot 4"-banke belê is, en dat betalings daaruit slegs aan beleggers of aan Zephan gedoen kan word. Ek het geen aanspraak op die geld nie.
4. In my laaste omsendbrief het ek u laat weet dat betalings aan Alternatief 2-beleggers teen die einde van Junie 2018 gefinaliseer sou word, en dat die oordrag van Alternatief 3-beleggers se aandele ook dan afgehandel sou wees. Ek het onlangs verneem dat dit nie meer gedoen kan word nie.
5. Die finalisering van Alternatief 2 en 3 vereis dat 'n taamlik ingewikkelde stel ooreenkomste afgehandel moet word. My prokureurs het die situasie egter so goed moontlik in oënskou geneem en is vol vertroue dat die transaksies op die laaste teen einde Oktober gefinaliseer sal word. Ek verneem dat die verdragings deur burokratiese rompslomp veroorsaak word, en nie deur tekortkominge in die transaksies nie.
6. Volgens my prokureurs sal hierdie verdragings nie beleggers buitensporig benadeel nie, aangesien Zephan onderneem het om vol te hou met rentebetalings totdat die saak afgehandel is.
7. Indien u verdere besonderhede verlang, kan u enige navrae direk aan admin@orthotouch.co.za rig. Hulle sal u te eniger tyd bystaan.

Die uwe



D.P. COHEN N.O.
Ontvanger