

ORTHOTOUCH

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5 March 2012

Dear Sir / Madam

ORTHOTOUCH LIMITED / HIGHVELD SYNDICATION NO. 15 TO 22 LIMITED (UNDER BUSINESS RECUE AND BUSINESS RESCUE PLAN)

1. We refer to the previous communication dated 13th February 2012 from the business rescue practitioner which was posted on the www.pickvest.co.za website and which was also communicated to all investors at their known addresses.
2. We have, for the past three months, exercised our best endeavours to ensure that the necessary be done to enable the affairs of the companies under Business Rescue (and as such process has manifested in the approved Business Rescue Plan (“**BRP**”) of December 2011) to be dealt with, including for the administration of the properties which are to be transferred from the Highveld Companies and from Zephan Properties (Pty) Limited (“**Zephan**”) to Orthotouch, to come under the control of Orthotouch.
3. In terms of the BRP and the implementation thereof we have been able to ensure that most documentation required to give effect to the BRP have been executed and signed by the relevant parties. This includes –
 - 3.1 the signature of all sureties, including the relevant written suretyship documentation in terms of the BRP;
 - 3.2 the signature of the cession and pledge of shares documentation in terms of the BRP, including the actual relevant share certificates being held in trust; and
 - 3.3 the signature of all agreements required to give effect to the transfer of the properties to be transferred in terms of the BRP and the Orthotouch agreement, by all parties thereto, including Zephan (in respect of the subject matter properties), the Highveld Syndication Companies (in respect of the subject matter properties) and Orthotouch in respect of all the properties to be transferred to Orthotouch.

4. The formal transfer process is under way as expeditiously as possible and, in particular, clearance figures are to be obtained in respect of the properties to be transferred.
5. The process of the transfer of the properties to Orthotouch is required so as to vest investors with the security for their investment repayments in terms of the BRP.
6. Investors are kindly requested to remain patient whilst the Orthotouch process is implemented and to take cognisance of the fact that the issues that caused the Highveld companies to be in financial distress and pursuant to which the companies were placed in Business Rescue are not going to be resolved overnight.
7. To improve the above will take time and whilst every effort is being made to ensure that adequate finance is available on a monthly basis. Negotiations with financial institutions and financiers do not always bear immediate results and under these circumstances we have had situations where investors are inconvenienced due to the late payment of interest. We apologise for this.
8. In the meantime we have created a website for information purposes which will be known as www.orthotouch.co.za.
9. Kindly further note that telephonic queries which were previously addressed to the business rescue practitioner and other parties must now be addressed to the following number 0860 742 742.
10. Kindly note that, whilst this number was previously known as the "Pickvest Call Centre", relevant activities of Orthotouch are being handled by JPA Secretarial, through staff who are being trained to deal with all queries in an efficient manner.
11. There are still a number of elements who prefer to see Orthotouch fail and the Highveld Companies to be liquidated. To such end reckless and inaccurate information is disseminated on a regular basis through the media. Investors are reminded that –
 - 11.1 despite the fact that interest payments have hitherto been delayed, all interest has been, paid up to date; and
 - 11.2 the Orthotouch deal affords investors the only realistic chance they have of redeeming their capital.
12. We trust that you will find the above in order and will keep you updated as events unfold.

Yours faithfully

ELECTRONICALLY POSTED UNSIGNED

**J. J. NEL
CHAIRMAN
ORTHOTOUCH BOARD OF DIRECTORS**