

Dear Mr / Mrs / Ms

NB: THE OFFICIAL HIGHVELD SYNDICATION ACTION GROUP (“HSAG”) NOTICES ARE THE ONLY OFFICIAL SOURCE OF INFORMATION WHERE YOU AS INVESTOR CAN FIND INFORMATION AND WE INVITE YOU TO VISIT THE WEBSITE AT www.hsaction.co.za. EMAILS ARE SENT OUT FROM TIME TO TIME AND YOU ARE REQUESTED TO ENSURE THAT YOUR APPLICATION FORM FOR THE HSAG HAS BEEN COMPLETED CORRECTLY AND THAT YOU KEEP US UP TO DATE WITH ANY AMENDMENTS.

ADMINISTRATIVE CUT-OFF DATE FOR REGISTRATION AT THE HSAG

PLEASE TAKE NOTE that 31 March 2017 at 24:00 will be the next administrative cut-off date for any late-registrations with the HSAG.

PLEASE ALSO make sure that all your contributions towards Registration and Legal costs have been settled up to date to ensure that you have legal representation for the HSAG matters and cases and/or possible future settlement(s). Any special requests and enquiries must be in writing addressed to hsagenquiries@gmail.com.

1. THE HSAG CLASS ACTION

The HSAG brought two urgent Applications in the High Courts of Pretoria and Johannesburg against Mr Georgiou and Orthotouch and Others for the irregular withdrawal of the Application for the Certification of the Class Action (Pretoria) and the Setting Aside of the Section 155 Ruling Scheme (Johannesburg). The first Application was heard in the High Court in Pretoria on the 3rd of February 2017 and we are currently waiting for the outcome of the said judgement of the Pretoria High Court. The second Application was heard on the 28th of February 2017 in the High Court of Johannesburg.

On 17 March 2017 the Johannesburg High Court made a ruling in favour of the HSAG and against Orthotouch, Mr Georgiou and two of his entities, with costs. The Johannesburg High Court considered both applications to be urgent in light of the tactics employed by the former HSAG Applicants and their new attorneys and ordered the respondents to pay costs, including two of the HSAG counsel.

The Setting Aside Application was reinstated and the new HSAG Applicants were formally joined as Applicants in the Johannesburg matter. The Judge condemned the tactics of Mr Georgiou and the former HSAG applicants' attorney, Jeff Donnenburg. See the judgment at www.hsaction.co.za as well as an article of Moneyweb under Media, Press releases and notices.

We positively await judgment in the Pretoria High Court and will inform the HSAG members upon receipt thereof.

2. SETTLEMENT NEGOTIATIONS

Applications to settle with Mr Nic Georgiou/Orthotouch closed on his request on 30 September 2016. **However, Mr Georgiou indicated that he would consider further applications and further negotiations were continued with by the HSAG steering committee during February 2017. A first meeting with Mr Nic Georgiou was already held in January 2017 and a second meeting was held in February 2017.**

At our last meeting Mr Nic Georgiou again indicated that he will sign the settlement documents on or before 31 March 2017 and a venue has been reserved for 30 and 31 March 2017. First payments will be made within 21 business days after signing of the settlement documents. In order for us to prepare all settlement documentation, the closing date for the late applications to settle was set at 17 March 2017 and was so indicated on the website. No further applications will be considered.

3. COSTS

We have informed HSAG members from the outset that, depending on the support and co-operation from prospective HSAG Claimants, it can be expected that annual trust contributions will be requested from HSAG members. At this stage only one request for contribution towards legal costs have been made. In effect members of the HSAG have more or less been contributing legal costs of R1,00 per day per syndication.

We expect to ask for a further contribution for administrative and legal costs towards April 2017 and is the intention that the costs for 2017 be levied per person/investor and not per syndication as with the previous contribution in order to accommodate investors with more than one syndication. You will in due course be notified of the new amounts that will be levied in 2017.

Persons with a total investment value of R20 000 or less would also be accommodated and would not be expected to contribute towards administration or legal costs in 2017. Please note that registration and legal costs are not refundable.

4. INDIVIDUAL CLAIMS (HS 21 – 22)

If there are investors who invested in Highveld Syndications 21 and 22 and who wish to take individual action based on the buyback agreements they must urgently provide our offices with their individual instructions. Such action must be issued forthwith. A draft summons has already been prepared and it is proposed that multiple Plaintiffs (investors) be cited in such summons.

As these court proceedings would be on an individual basis the costs involved would naturally be substantially more as in the case where litigation is done under the protection of a class action. Investors who would like to litigate on this basis must, taking into consideration the number of enquiries and thus possible claimants, be prepared to pay an initial deposit to Theron & Partners Attorneys as well as a monthly debit order in order to issue summons against Mr Georgiou/Orthotouch, which procedure must be initiated as soon as possible. Depending on how many investors would prefer this option, the amounts payable could differ. Investors in HS20 and 21 must specifically and individually indicate if they wanted to exercise this option and would individual emails be forwarded to them concerning the specific costs herein.

5. WHISTLE HERE FOR FALSE AND UNDERMINING INFORMATION

If investors want to send us any relevant or important information concerning the HSAG or the class action, or want to disclose documents and would prefer to remain anonymous, they can send an email to hsagwhistle@gmail.com.

6. USE OF CORRECT EMAIL ADDRESSES

It is of utmost importance that investors use the correct email addresses (as indicated on the website and emails) for all communication. Should an investor send an email to the wrong email address such correspondence might not be attended to ending up to be time consuming and costly.

Email addresses are as follows:

- hsactiongroup@gmail.com and hsagenquiries@gmail.com for all enquiries concerning the class action and settlement procedures.
- hsagregister@gmail.com for the registration of new members of the class action.
- hsagsettle@gmail.com for all settlement agreements and relevant documentation.
- hsagwhistle@gmail.com for all confidential information that you would like to send to us anonymously.

7. STATEMENT FOR PARTICIPATION IN THE HSAG

Please find attached your Statement for participation in the HSAG.

Kindly take note of the following:

1. Since the beginning of 2016 our firm has started with trust requisitions for a contribution towards legal costs towards the Highveld Syndication court cases and related matters, driven by the HSAG. By doing so the HSAG members' individual and HSAG group's interests are protected. This amount will be reflected on your statement. If no trust requisition regarding legal costs appears on your statement, it means that you are in a group which has not yet been processed and/or allocated and will

the said amount only reflect on a later statement. The requested amount for 2016 legal costs was R1000,00 per syndication. A once-off registration fee per syndication was also levied and should also be reflected on your statement. Please be advised that the personal information on our system was gathered from the application forms. If your application form is faulty or incomplete you may not receive statements or emails from us.

2. Please click on the link to enter the "Customer Zone" where you will see all your trust requisitions for registrations and legal costs, as well as all payments made.
3. Due to the continuous high volume of enquiries, registrations, the amendment of personal information and allocations it is possible that your payment/s and/or registration/s will not yet appear on the attached Statement but on a later Statement. Please ensure that your information is correct.
4. Automated statements will be sent out from time to time (normally monthly), but your link to the Customer Zone will stay active and you may therefore view your future payments and transactions as they are being allocated.
5. If there are any outstanding amounts you are kindly requested to pay such outstanding balances as soon as possible to prevent unnecessary administration and/or further costs and further to prevent such members' membership from being suspended from the HSAG.
6. Registration surcharges are payable on all new and arrear (90 days and older) registrations. Registration cost currently amount to R1 500,00 per syndication and, if further registrations are allowed beyond the deadline, it is probable that there will be a further levy for registration costs per syndication for new registrations, in order to relieve the financial contributions made by our current HSAG members.
7. We thank you for your loyal support without which the HSAG and class action would not have been possible. At the same time you can be sure of our undivided loyal support to the members and associates of the HSAG.
8. All enquiries must be sent to hsagenquiries@gmail.com.

Kind regards

Theron & Partners

Tel: (021) 887 7877

hsactiongroup@gmail.com