Great Basin Gold

Business Rescue Process

Southgold Exploration is a gold mining company in South Africa that was dual- listed on the JSE and TSX through its parent company Great Basin Gold Limited, which owned the Burnstone mining operations. The entity commenced business rescue proceedings through which the primary gold asset was disposed of, with a transaction value of c.R2.75bn.

Project Summary	
Client	Southgold Exploration Proprietary Limited, a wholly-owned subsidiary of Great Basin Gold Limited
Structure & Presence	South Africa. The transaction and business rescue proceedings necessitated dealing with lenders and note holders in South Africa, USA, Canada, Switzerland and UK
Industry	Gold mining
Start Date	September 2012
End Date	July 2014
Mandate summary	A multi-jurisdictional/cross border, complex business rescue process with disposal to a credible buyer Sibanye Gold Limited; c.2,000 jobs saved

Overview of the entity / business:

- Southgold is a gold mining company in South Africa that was dual-listed on the JSE and TSX through its parent company Great Basin Gold Limited. Their primary mining asset was the Burnstone gold mining operations in Mpumalanga, South Africa.

High-level scope of services:

- Southgold entered into business rescue proceedings and Peter van den Steen was appointed as the Business Recue Practitioner.
- The appointment included full management of the business rescue process, including the disposal of various assets through the business rescue proceedings.
- JP Morgan was appointed as the sell-side advisor.

Result:

- The business rescue practitioner achieved a successful disposal of the primary gold mining assets within Southgold, with the assets remaining intact and employment opportunities created going forward.
- Over 2,000 jobs were saved as a result of the successful business rescue process.
- The business rescue process was hailed as “the first and largest business rescue successes in South Africa” (Lara Kahn, partner at Webber Wentzel).