



CAXTON & CTP LIMITED
publishers & printers

Annexure A
Co. Reg No.: 1947/026616/06

Tel: +27 (0) 11 474 8750
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28 Wright St, Industria West, JHB, 2093
PO Box 43587, Industria, JHB, 2042

29 August 2019

Dr Pumla Mnganga
Chairman

Mr Neil Birch
CEO

Melonie Brink
Group Company Secretary

Novus Holdings Limited
10 Freedom Way,
Milnerton, Cape Town

per email- c/o Neil.Birch@novus.holdings melonie.brink@novus.holdings

Dear Ms Mnganga, Mr Birch and Ms Brink

NOVUS ANNUAL GENERAL MEETING- 30 AUGUST 2019

1. I write to you on behalf of Caxton and CTP Publishers and Printers Limited ("Caxton"), in its capacity as a shareholder of Novus Holdings Limited ("Novus"), with some 22 361 798 Novus shares.
2. We advise you as a courtesy that we have requested a representation letter from our CSDP, authorizing Mr. Leon Witbooi of Caxton to attend your AGM and to vote our shareholding. We further advise that our voting instructions are to abstain in relation to the resolutions to be put to the meeting. We are not in a position to either support or disapprove the items being put to the meeting.
3. Your Notice of AGM reflects that one of the purposes of the AGM is *"to consider any matters raised by the shareholders of the Company, with or without advance notice to the Company..."*.
4. In accordance with the foregoing, we hereby advise you of the following questions for the AGM which we hereby notify you of in advance, and which are put to you by Caxton for response at the AGM. In order not to impede the process of the AGM, we rely on the independent Chairman to frame the questions on our behalf and put them to the appropriate persons for response-
 - 4.1. The share register of Novus reflects that the 24 313 272 shares previously owned by the Novus Share Trust are now owned by Paarl Print/ Novus Print. This is in line with your management's confirmation that these are held as treasury shares by Novus. Please can you clarify on what basis and on what authority the shares were transferred from the Trust to a subsidiary of the Company? Please clarify whether the Trustees authorized the transfer? Please advise whether the new share options provided to management are backed by these shares, and if so, on what basis?
 - 4.2. How does Novus justify holding more treasury shares in its subsidiaries than the 10% permitted by the Companies Act, 2008?
 - 4.3. What was the purpose and strategy behind the use of Novus cash to effect a share buy back of 10% of the Novus share capital in the market in the last half of the 2019 financial year, and has the buy back achieved its intended effect? Has it been value enhancing for shareholders?
 - 4.4. Does Novus or any consortium of which Novus is a part, pay commissions of any sort to any person in connection with tenders or contracts for government work or work from foreign governments awarded to Novus or in respect of which Novus is contracted to undertake printing, or has it in the last five years paid

DIRECTORS: PM Jenkins (Chairman), TD Moolman (Chief Executive), PG Greyling, TJW Holden,
ACG Molusi, NA Nemukula, J Phalane, T Slabbert, J Edwards (Company Secretary)



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such commissions? To the extent such commissions are paid or have been paid, are these commissions disclosed to the parties awarding the tenders concerned and are the commissions specifically disclosed to and approved by the Board of Novus?

- 4.5. Have any current or previous senior executives of Novus or persons related to them, to the knowledge of Novus, benefitted from any commissions that may have been paid, as referred to in the previous question?
5. These questions deal with matters that are germane and relevant to the financial affairs of Novus in its 2019 financial year, and we look forward to hearing the answers in the meeting tomorrow.

Yours sincerely

Paul Jenkins
Non-executive Chairman
paul@jenkins.co.za
Cell- 083 250 1000

DIRECTORS: PM Jenkins (Chairman), TD Moolman (Chief Executive), PG Greyling, TJW Holden,
ACG Molusi, NA Nemukula, J Phalane, T Slabbert, J Edwards (Company Secretary)

29 August 2019

Caxton & CTP Printers and Publishers & Printers Limited
28 Wright Street
Industria West
Johannesburg
2042

RE: Novus AGM 30th August 2019

Dear Paul

Your letters dated 14th June 2019, and 29th August 2019, received by ourselves on 29th August 2019 refer.

We do not consider the questions contained in your letter as appropriate to be raised at an Annual General Meeting ("AGM"). We have therefore attached our responses to the questions raised in 4.1 – 4.5 of your letter, which we shall present at our AGM.

Response:

4.1 This matter has previously been reported by Caxton|CTP to the JSE suggesting a misappropriation of treasury shares. The JSE have already responded to Novus and confirmed that they are satisfied that there has been no transaction as contemplated in your suggestion in question 4.1.

There were no transfers of shares from the Novus Holdings Share Trust. Refer to page 136 of the integrated report where the shareholding of the Trust at 31 March 2019 is disclosed.

Correction - Novus Holdings Employee Share trust did not allocate new share options. In terms of the Novus Share Trust Deed – SAR's have been allocated to those qualifying employees and any resultant shares will be issued from the existing Trust Shares.

4.2 See 4.1 above Novus does not hold More than 10% of its shares in a subsidiary.

4.3 Novus remains cash generative – and this transaction was seen as an effective allocation of cash, in addition it is viewed as an effective method of returning surplus cash to shareholders. Our short-term strategy did not include further acquisitions.

4.4 Question is a bit convoluted, – we do from time to time work with various consortium partners and sub contractors in tenders – we may pay commission/fees to those parties with whom we have entered into formal contracts with. The processes are transparent and in line with our internal governance policies which are approved at board.

With regard to disclosure these types of disclosures if required are regulated by the tender conditions - if contained, Novus would comply with such disclosure requirements.

4.5 To the best of our knowledge no.

We are alarmed by some of the questions raised by a shareholder and we would certainly welcome more information from yourself in order for us to investigate these thoroughly.

We look forward to your written response herein.

Yours faithfully

Sent electronically

Melanie Brink
Group Company Secretary



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30 August 2019

Dr Pumla Mnganga
Chairman

Mr Neil Birch
CEO

Melonie Brink
Group Company Secretary

per email- c/o Neil.Birch@novus.holdings melonie.brink@novus.holdings

Dear Ms Mnganga, Mr Birch and Ms Brink

NOVUS ANNUAL GENERAL MEETING- 30 AUGUST 2019

1. We refer to your letter of 29 August 2019. We appreciate the constructive efforts to engage us in a response to our questions referred to in our letter of yesterday.
2. The response in regard to your treasury shares is to confirm that the Share Trust remains the owner of the 7% shareholding in Novus. This is at odds with your share register which reflects a transfer of these shares from the Trust to Paarl Media Pty Limited (not Paarl Print as I previously stated) in the period July to October 2018. As at end March 2019, that position had not changed. Please advise and confirm to shareholders what transaction occurred that resulted in the change in the registered owner of the shares. You would also need to explain why your share register reflects that Paarl Media owns in excess of 55 million shares.
3. Your response in relation to the question of commission payments is noted including your confirmation that the commissions which I refer to, are indeed paid. In this regard and especially where the contracts concerned relate to public and governmental tenders, it is vital that there should be complete and transparent disclosure of the amounts involved and the identity of persons to whom such commissions are paid. This is especially important given that at least one such commission paid is in the order of magnitude of hundreds of millions of rands. We request that you provide shareholders at the AGM today, with the board assurance that it is aware thereof and accepts responsibility for all such payments and has made full disclosure to the contracting parties, in all cases.
4. We have noted the concern expressed in relation to the nature of our questions. I am prepared to engage with you further in this regard, in due course.

Yours sincerely

Paul Jenkins
Non-executive Chairman
paul@jenkins.co.za
Cell- 083 250 1000

DIRECTORS: PM Jenkins (Chairman), TD Moolman (Chief Executive), PG Greyling, TJW Holden,
ACG Molusi, NA Nemukula, J Phalane, T Slabbert, J Edwards (Company Secretary)

From: Melonie Brink <Melonie.Brink@novus.holdings>

Date: Friday, 30 August 2019 at 1:15 PM

To: Paul Jenkins <paul@jenkins.co.za>, Neil Birch <Neil.Birch@novus.holdings>

Subject: RE: Novus AGM

Dear Paul

Thank you for your emails of even date.

1. We had received your further letter just before the commencement of our Annual General Meeting, the contents of which were noted.
2. We reiterate our response of 29 August 2019 (para 4.1) to your item 2 of the correspondence dated 30 August 2019. We aware that the details of the underlying beneficial shareholder of the accounts you refer to, are not in the public domain and could be the reason for your interpretation of position on this matter.
3. Item 3 we do not consider to be the business to be transacted at the AGM but will advance the discussion on the matter in an appropriate forum.

We remain available for engagement with our shareholders.

Warm regards

Melonie Brink

Group Company Secretary

Novus Holdings

t +27 21 550 6231

c

e Melonie.Brink@novus.holdings

www.novus.holdings

From: Paul Jenkins <paul@jenkins.co.za>
Sent: 30 August 2019 9:38 AM
To: Melonie Brink <Melonie.Brink@novus.holdings>; Neil Birch <Neil.Birch@novus.holdings>
Subject: Re: Novus AGM

PDF version also transmitted herewith.

Kind Regards

Paul Jenkins

Email- paul@jenkins.co.za
Cell- 083 250 1000
Po Box 1978, Houghton
Johannesburg, 2041

From: Paul Jenkins <paul@jenkins.co.za>
Date: Friday, 30 August 2019 at 9:24 AM
To: Melonie Brink <Melonie.Brink@novus.holdings>, Neil Birch <Neil.Birch@novus.holdings>
Subject: Re: Novus AGM

Dear Melonie

Please see my further letter for your urgent attention.

Kind Regards

Paul Jenkins

Email- paul@jenkins.co.za
Cell- 083 250 1000

Po Box 1978, Houghton
Johannesburg, 2041

From: Melonie Brink <Melonie.Brink@novus.holdings>
Date: Thursday, 29 August 2019 at 9:42 PM
To: Paul Jenkins <paul@jenkins.co.za>, Neil Birch <Neil.Birch@novus.holdings>
Subject: Re: Novus AGM

Dear Paul

Your emails sent earlier today refer. Attached please find our response.

Kindly acknowledge receipt hereof.

Regards

Melonie

Get [Outlook for iOS](#)

From: Paul Jenkins <paul@jenkins.co.za>
Sent: Thursday, August 29, 2019 5:22 PM
To: neil.birch@novus.holdings; Melonie Brink
Subject: Re: Novus AGM

Please see letter- re sent with correct date.

Kind Regards

Paul Jenkins

Email- paul@jenkins.co.za
Cell- 083 250 1000
Po Box 1978, Houghton
Johannesburg, 2041

From: Paul Jenkins <paul@jenkins.co.za>
Date: Thursday, 29 August 2019 at 4:55 PM
To: <neil.birch@novus.holdings>, Melonie Brink <Melonie.Brink@novus.holdings>
Subject: Novus AGM

Dear Neil and Melonie

I enclose a letter for your consideration and attention in regard to the Novus AGM tomorrow.

Kindly acknowledge receipt.

Kind Regards

Paul Jenkins

Email- paul@jenkins.co.za
Cell- 083 250 1000
Po Box 1978, Houghton
Johannesburg, 2041

Please click <http://novus.holdings/disclaimer/> to read our e-mail disclaimer.

Kliek asseblief <http://novus.holdings/disclaimer/> om ons e-pos vrywaring te lees.

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25 March 2020

Novus Holdings Limited
10 Freedom Way,
Milnerton, Cape Town

Attention:
Dr. Phumla Mnganga
Chairperson
per email- phumla@telkomsa.net

Mr. Neil Birch
Chief Executive Officer
per email- Neil.Birch@novus.holdings

Ms. Melonie Brink
Group Company Secretary
Per email- melonie.brink@novus.holdings

Dear Dr. Mnganga, Mr. Birch and Ms. Brink

NOVUS COMMISSION AGREEMENT CONCERNS

1. As you are aware, Caxton and CTP Publishers and Printers Limited ("**Caxton**") is a significant minority shareholder in Novus. We write to you, *inter alia*, in that capacity. We refer to our previous correspondence of 29 and 30 August 2019 and your responses of 29 August 2019 and 30 August 2019, dealing with the questions that Caxton posed for the Novus AGM on 30 August 2019.
2. You will recall that we queried the commission payments made by Novus in connection with tenders and contracts for government work. You assured us in response that-
"we do from time to time work with various consortium partners and sub contractors in tenders- we may pay commissions/ fees to those parties with whom we have entered into formal contracts with. The processes are transparent and in line with our internal governance policies which are approved at board."
3. We also enquired as to whether any current or former Novus executives or persons related to them had benefitted from such commission payments. Novus responded that this had not occurred, to its knowledge. It expressed alarm at the inference contained in the question. We in turn replied that we would be prepared to engage with Novus in this regard, in due course.
4. We wish to bring to the attention of Novus and its board, the factual and legal position as we understand this to be in relation to Novus's commission arrangement with Lebone Litho Printers Proprietary Limited ("**Lebone**"). In this regard, we understand the following:



- 4.1. Novus currently has a commission arrangement in place with Lebone that covers, *inter alia*, the government workbook tender contract from 2016 onwards and includes renewals thereof, by the Department of Basic Education in favour of the Lebone Consortium (consisting of Novus, Lebone, and UTI SA (Pty) Ltd) ("**the DBE Contract**").
- 4.2. There was a previous commission arrangement between Paarl Media (before it changed its name) and Lebone, that provided for an incentive commission at the rate of 10% or below.
- 4.3. The commission arrangement is currently governed by an agreement concluded in April 2018 and signed on behalf of Novus by Keith Vroon, the former CEO of Novus ("**Vroon**") and by Keith Michael, the CEO and controlling shareholder of Lebone ("**Michael**") ("**the New Commission Agreement**").
- 4.4. The New Commission Agreement relates primarily to the DBE Contract and provides for payment of an overriding, additional incentive commission by Novus in favour of Lebone, separate from the Consortium Agreement between the parties to the Lebone Consortium.
- 4.5. In addition to the DBE contract, the New Commission Agreement also provides a framework for other printing work referral and a sharing of Lebone's other printing work, which may occur on a case by case basis and by *ad hoc* agreement on the applicable incentive commission.
- 4.6. The basis and justification for the payment of the above commission by Novus on the DBE Contract (as distinct from payment for actual printing work which is separately remunerated) is **Lebone's access to and business networks regarding the DBE Contract** and printing work required by such contract, which Lebone does not have the operational capacity to undertake itself. Lebone is not required to provide any services under the New Commission Agreement, other than using its influence as aforesaid, and its performance is not subject to any objective criteria or measurement.
- 4.7. The commission rate in the New Commission Agreement is 13% and is payable on all revenue derived by Novus from the DBE Contract for 2018, 2019 and all extensions. This represents a 3% increase in the commission previously payable.
- 4.8. The increase was granted by Vroon to Lebone in 2018, in respect of the DBE Contract that had been awarded to the Lebone Consortium 2 years previously.
- 4.9. The additional 3% increase appears to be structured as an early payment incentive, by providing that if Lebone does not procure payment from the DBE of the Novus invoices, within two weeks of the receipt from Novus of the delivery notes pertaining to deliveries of printed material to the distribution



centre, then the commission will reduce from 13% to 10%. The base commission of 10% is unconditional and guaranteed.

- 4.10. Subsequent to the conclusion of the New Commission Agreement, the DBE Contract has been extended in favour of the Lebone Consortium for 2020 and 2021 and the Novus executive under Mr. Birch and Mr. Todd has further increased the commission by 2%, to now stand at 15%.
5. In summary, the New Commission Agreement initially provided for an unconditional 10% base incentive commission and a 3% early payment incentive commission, payable to Lebone on the total value of all Novus printing work under the DBE Contract for 2018 and 2019, and any extensions. The commission is paid as ostensible compensation to Lebone for using its access, and business networks (influence, contacts and connections) (i) to procure printing work (including the DBE Contract); and (ii) to obtain expedited payment from the DBE. The overall commission has since been increased to 15%. In March 2020, the DBE announced an extension to the DBE Contract, in favour of the Lebone Consortium.
6. The Novus board is fully able to verify the above for itself. As per Novus's above assurances, we further assume that the New Commission Agreement and subsequent commission increase have been approved or ratified by the Novus board, and the Novus board will be fully aware thereof. With respect, it is inexplicable why the Novus board and its management have allowed such a contract to exist and to be perpetuated, given that the facts set out above create at least a suspicion of corrupt activities, for the reasons set out below-
- 6.1. *First*, there appears to be no commercial justification for the overriding commission payments to Lebone. It is certainly not clear what services Lebone was rendering and continues to render, that justifies the payment of hundreds of millions of Rands by Novus. Given that the workbooks tender was meant to be an open, transparent and competitive process in keeping with section 217 of the Constitution, it is difficult to see how Lebone could ever have used its access and business networks in a legitimate way, to justify the payment of the commission for procuring the DBE Contract. It must be of grave concern to the Novus Board, as it is to Caxton, *inter alia* as a Novus shareholder, that the New Commission Agreement (and the previous Commission Agreements) appears to represent a generally illegal (and undisclosed) contract of which the DBE is most likely unaware.
- 6.2. *Second*, if, as appears to be the case, the basis of the commission payment was and is Lebone's so-called access to and business networks in relation to the DBE Contract, then this would be strongly suggestive of some form of influence peddling in relation to the DBE Contract.
- 6.3. *Third*, the New Commission Agreement has all the hallmarks of an arrangement which is not only highly questionable, but may be illegal, since the incentive commission appears in effect to be an unlawful



gratuity to Lebone for doing no work and providing no services, other than Lebone's access to and business networks within the DBE.

6.4. *Fourth*, as Novus will be aware-

6.4.1. the provisions of section 12(1)(a) and (b) of the Prevention and Combatting of Corrupt Activities Act 12 of 2004 ("**PRECCA**") prohibit the accepting or giving of any gratification "(i) *in order to improperly influence, in any way- (aa) the promotion, execution, or procurement of any contract with a public body....*". In this regard, the payment or receipt of an incentive commission (gratification) to obtain payments from a public body and especially to obtain expedited payment, as provided for in the New Commission Agreement (the 3% early payment incentive commission), appears to constitute a form of improper influence over the execution of the DBE Contract, contrary to section 12(1)(a) of PRECCA;

6.4.2. the provisions of section 10 of PRECCA prohibit the offering or receiving of an "*unauthorized gratification*" to or by a person who is "*party to an employment relationship*" for that person to do "*any act in relation to the exercise, carrying out or performance of that party's powers, duties or functions within the scope of that party's employment relationship...*" In this regard, the payment of money to an employee or ex-employee that is connected to any contractual benefit in favour of the party offering or making the payment, would be contrary to section 10 of PRECCA, and

6.4.3. generally, the provisions of section 3 of PRECCA prohibit the accepting or giving of any gratification in order to act in a manner- "*(i) that amounts to the (aa) illegal, dishonest, unauthorized, incomplete or biased exercise, carrying out or performance of any powers, duties or functions arising out of a constitutional, statutory contractual or any other legal obligation; ...(iii) designed to achieve an unjustified result; or (iv) that amounts to any other unauthorized or improper inducement to do or not do anything.*

6.5. *Fifth*, members of the current senior executive management of Novus are themselves party to the New Commission Agreement, having agreed to the increase of the incentive commission to 15%, thereby associating themselves with the objectives and intent of the New Commission Agreement.

6.6. *Sixth*, the Board, by continuing to abide and accept the making of on-going payments to Lebone under the New Commission Agreement, must be mindful of the provisions of section 21 of PRECCA, which make it an offence to aid and abet the committing of an offence under PRECCA.

6.7. *Seventh*, section 34 of PRECCA creates a compulsory reporting obligation on any person in authority within Novus and who knows or ought reasonably to have known or suspected that an offence under



Parts 1, 2, 3 or 4 (which includes sections 3, 10 and 12) of PRECCA had been committed, to report any knowledge or suspicion to a police official ("**Section 34 Report**"). Failure to file a section 34 Report is itself a criminal offence.

7. Given what is set out above, there can, in our view, be no justification for the perpetuation of this arrangement and it appears to Caxton that it is incumbent on the Novus Board to:

- 7.1. make such a Section 34 Report in relation to the facts set out above; and
- 7.2. terminate the New Commission Agreement forthwith, and recover all commission payments made under the New Commission Agreement, from Lebone.

8. Unfortunately, there are additional issues in this regard which have come to our attention and which involve previous executives of Novus. The facts, as we understand them, are as follows-

- 8.1. Vroon and Mr [REDACTED] were previously senior executives and directors of Novus and its subsidiaries.
- 8.2. Vroon was the Novus CEO who approved the significant increase of the commission to Lebone and signed the New Commission Agreement in April 2018, to the benefit of Lebone and the prejudice of Novus. He resigned from Novus, barely 2 months later, in the middle of June 2018. Vroon is married to Lynette Vroon, who is the member of the close corporation, Brand Me Stitching CC (Reg 2006/091539/23) ("**Brand Me**").
- 8.3. [REDACTED] resigned from Novus in 2019 on a date unknown to Caxton. He was the business development executive of Novus and interacted with Michael (the CEO and controlling shareholder of Lebone) on a regular basis. [REDACTED] is married to [REDACTED] who is a director of a limited liability company, [REDACTED].
- 8.4. Michael, is associated with a number of other legal entities as director and/or shareholder, and as a result, these entities comprise associates of Lebone. It is possible that the access and business networks referred to in the New Commission Agreement, may extend to these associates.
- 8.5. We understand that subsequent to Vroon's resignation, but whilst [REDACTED] was still a full time employee of Novus (i) Brand Me received a payment of some R14 million from Lebone and/or Michael and or their associates ("**the Michael entities**") for the benefit of Vroon and [REDACTED] and (ii) that [REDACTED], or possibly [REDACTED] for the benefit of [REDACTED] evidently received a portion of such monies from the Michael interests, directly or indirectly. There does not appear to us to be any legitimate reason for such payment and, absent a compelling justification being provided for such payments, this raises suspicion that these payments were made in contravention of the provisions of PRECCA. The fact that these appear to have been routed to an entity controlled by the spouse of Vroon and may have been routed thereafter to [REDACTED] or an entity controlled by the spouse of [REDACTED] raises additional concerns regarding their legitimacy.

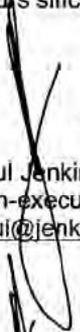


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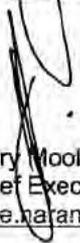
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- 8.6. Both Vroon and [REDACTED] are now employed by or are consultants to Lebone (or Michael) or associated entities, for financial reward.
- 8.7. Novus sold its business of Paarl Labels to a company associated with Lebone and Michael, in which transaction Vroon participated, to an extent unknown to Caxton. The purchase price appears to have been below market value and other potential purchasers were excluded. This raises the question as to whether the stake received by Vroon may constitute a further gratification by Lebone to Vroon.
- 9. For all the reasons set out above, we need hardly point out that, the New Commission Agreement represents a very serious reputational risk for Novus and its directors, with associated negative effects on the value of Novus as a listed share.
- 10. We look forward to hearing from the Novus board, by no later than Friday, 3 April 2020, as to how it intends to deal with the matter.

Yours sincerely



Paul Jenkins
Non-executive Chairman
paul@jenkins.co.za



Terry Moolman
Chief Executive Officer
Julie.naran@caxton.co.za

27 March 2020

Dear Paul & Terry

BY EMAIL

Your email and letter dated 25 March 2020 has reference. We welcome engagement from our shareholders.

It is noted that the content contained in your letter overlaps significantly with matters raised in your correspondence dated the 30th August 2019, some 7 months ago. The board remains concerned about these serious allegations and shall be discussing this matter at the next scheduled board meeting, and will engage further as may be appropriate thereafter.

Yours sincerely

[Unsigned due to electronic transmission.]

Neil Birch
Chief Executive Officer

Phumla Mnganga
Chairman



31 March 2020

Dr Phumla Mnganga- Chairperson

Mr Neil Birch- Chief Executive Officer

Novus Holdings Limited

per email- c/o phumla@telkomsa.net Neil.Birch@novus.holdings melonie.brink@novus.holdings

Dear Dr. Mnganga and Mr. Birch

NOVUS COMMISSION AGREEMENT CONCERNS

1. Thank you for acknowledging receipt of our letter of 25 March 2020.
2. It is indeed a matter of great concern to Caxton that a period of seven months has elapsed between our correspondence with Novus at the end of August 2019 and our above letter, in which time, Novus appears to have taken no action. We have found it no easy task in the intervening period, to gain an understanding of the matters we have now advised you of, and which matters, in our view, go further than our inquiries in August 2019.
3. Since our last communication with Novus in August 2019, on issues related to its commission agreements and payments generally, additional, even more concerning information has come to light which we reflected in our above letter to you. Had the Novus board performed a thorough and comprehensive investigation of these issues, no doubt some or all of these facts would long since have become apparent to the Novus board..
4. Unfortunately, it appears to us that the Novus board has no genuine intention of wanting to conduct a detailed and thorough investigation of the matters raised by us, but instead is hoping to simply obfuscate the issues and not to take appropriate action, because of the fact that its commercial interests could be prejudiced by the outcome of any such investigation.
5. This is borne out by your letter of 27 March 2020. Instead of indicating that the Novus board takes these matters extremely seriously and would urgently seek to investigate all the issues we have raised, you have instead indicated that these issues will be dealt with at the next **scheduled** board meeting, which we assume may be several weeks away.
6. We would have thought that at the very least, an urgent board meeting by means of electronic communication would be in order. This is especially so, given the nature of the matters we have raised, and your obligations under Section 34 of the Prevention and Combatting of Corrupt Practices Act 12 of 2004.
7. We look forward to your earliest response, by no later than Friday, 3 April 2020. Please at the same time will you confirm that you have referred this matter for independent legal advice.

Yours sincerely

Paul Jenkins and Terry Moolman

Per: Paul Jenkins- Non-executive Chairman- paul@jenkins.co.za

05 April 2020

Dear Paul & Terry

BY EMAIL

Dear Paul and Terry

Your correspondence dated 31 March 2020 refers.

We have now shared your concerns and correspondence with the board of directors. The Board is considering the contents and applying its mind to the various issues raised.

We will revert in due course.

Yours sincerely

[Unsigned due to electronic transmission.]

Neil Birch
Chief Executive Officer

Phumla Mnganga
Chairman