



KRUGER VAN RENSBURG BK h/a

BTW No: 4120168127
Reg No: 2006/092727/23

Lid: Paul Daneel Kruger*

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Ons verw: PAUL D. KRUGER
U verw:
Datum: 25 JANUARY 2011

Dear Investors

SPITSKOP VILLAGE PROPERTIES LIMITED (IN LIQUIDATION)
ADDENDUM TO CIRCULAR DATED THE 21ST OF JANUARY 2011

In our circular to you dated the 21st of January 2011 a very important paragraph has unfortunately been omitted. We now wish to convey that to you and this should be read in conjunction with our previous circular dated the 21st of January 2011.

11. Illegality of Scheme and effect thereof:

Unfortunately Mr Thys Cronje in his circular to you does not state why he so vehemently wishes to oppose the illegality of the Scheme, with Investors' funding. The illegality situation is the following:

11.1 Should the Scheme be confirmed as being illegal, the effect it will have on Investors is virtually negligible. The only effect on Investors is that payments already received will have to be deducted from the capital of the claim. Because virtually all the Investors are in the same boat it, will entail that the claims of the all Investors will be reduced, which will entail that a larger percentage amount is available for distribution;

11.2 Investors are cautioned to remember that those Investors that have

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received a bigger interest repayment now have a smaller claim than those Investors that have not received the same amount of interest but in general if Investors take into account the amount of interest that they had received originally coupled with their eventual dividend, this calculation renders payment of dividends more equitable and fair;

11.3 Further effects of the Scheme being illegal which do not directly impact on the Investors but which might increase their dividend are the following:

11.3.1 Brokers can and will be requested to repay the amount of their brokerage commission. Such repayment will obviously find their way straight to the available amount to be distributed amongst Investors as a dividend.

11.4 It is against this background that Mr Cronje's motives in opposing the legality should be viewed. To incur further costs in litigating which may not result in any benefit to investors is in our view imprudent. Please take independent advice on this aspect.

11.5 We are satisfied that the scheme is unlawful for various reasons;

11.6 We intend to focus on avenues of recovery that will result in meaningful recovery for investors whilst attempting to minimise further costs and we honestly believe that enough time and money has been spent on this aspect.

All creditors who have not yet submitted their claims to the Liquidators must please do so immediately. Claim forms are available on the website : www.spitskoppropinliq.co.za or may be obtained from this office.

Kind regards


PAUL D. KRUGER

JOINT LIQUIDATOR