



Bonatla Property Holdings Limited

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31 8th Street Houghton Johannesburg 2198
5th September 2010

To:

From the CEO of Bonatla Property Holdings Limited

**To: New Bonatla Shareholders and Financial Advisors involved in
the Bluezone Property Syndications**

Dear Bonatla Shareholder / Financial Advisor,

**Re: Update on Acquisition of Bluezone Property Syndications by
Bonatla**

1. We have salvaged the 5 Income Plan companies from liquidation, and paid all creditors and legal fees associated with the Section 311 process at a cost of around R15 million.
2. The remaining 4 Capital Growth companies' meetings of creditors will take place on 13th September 2010, at a cost of around R7.3 million.
3. We anticipate that by the end of September all of the creditors' meetings will have been sanctioned by the courts, and that the transaction involving the first 9 companies will be completed. Once we have taken over the properties, following the court sanction, we will be in a position to assess the financial situation of the properties, including the possibility of income distribution.
4. We have engaged with the Provisional Judicial Managers on Flextronics, Austin Crossing, Madeline Street, and Castle Walk. We intend to proceed with Section 311 compromises on these entities during October 2010.
5. Once this process is under way we will endeavour to restructure and take over Spitzkop and Valley View. In this connection we have approached the authorities.

6. We thank many investors and Brokers/Financial Advisors for their overwhelming support during this process. We appeal to all Brokers/Financial Advisors to continue to convey our communications to all of their clients.

8. We assure you all, as we have done on numerous prior occasions, that we will allow no one to stop the Bonatla rescue operation. We will dedicate our efforts to ensure that investors will, over time, recover their wealth that has, to a certain extent, been lost through the Bluezone disaster.

We shall complete the Bluezone transaction.

Please stay in direct contact and feel free to contact Niki Vontas (082 900 9916 niki@bonatla.com) with any questions. We look forward to your calls and emails.

Yours faithfully

Niki Vontas

CEO

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Directors: MH Brodie (Non-executive Chairman) DWB King (COO) (Alt CD de Lange) SST Ngcobo (Non-exec
RL Rainier DA Scott (FD) NG Vontas (CEO) Gold Equity Registrars CC (Company Secretary)
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