



MINISTRY OF JUSTICE AND CORRECTIONAL SERVICES: REPUBLIC OF SOUTH AFRICA

Media Statement

For Immediate Release
21 February 2020

Court declares Tegeta Exploration & Resources' agreement with Eskom Unlawful

Minister of Justice and Correctional Services, Ronald Lamola, has been informed by the Special Investigating Unit (SIU) Head, Advocate Andy Mothibi, that the SIU has secured a court order from the High Court of South Africa, sitting in North Gauteng setting aside a contract worth R 3,7 billion between Tegeta Exploration & Resources (PTY) LTD and Eskom.

In welcoming this progress in the fight against maladministration, Minister Lamola says: "the fight against corruption will not be won without action by law enforcement agencies".

"Maladministration often lays the basis for corruption to thrive at a great expense to the fiscus and ultimately service delivery and we are encouraged when efforts to recover resources of the people of South Africa are intensified and yield results", Minister Lamola says.

In the court order the agreement entered into on 10 March 2015 for the supply of coal to Eskom's Majuba power station for a period of 10 years is declared both unlawful and invalid and of no legal force.

The court order further grants the SIU its prayer to institute legal proceedings in terms of section 133 (1)(b) of the Companies Act No 71 of 2008.

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