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**MEDIA STATEMENT
FOR IMMEDIATE RELEASE
05 April 2024**

**SIU INTERDICTS SALE OF FARM OWNED BY FORMER NLC COO LINKED TO
MISAPPROPRIATED NLC FUNDS**

The Special Investigating Unit (SIU) has obtained an interdict from the Special Tribunal to stop the sale of a farm in Limpopo that is linked to the former National Lotteries Commission (NLC) Chief Operations Officer Phillemon Letwaba and his brother Johannes Letwaba. The farm was listed for R7 million last year and is currently under offer for R5 million.

In an order dated 28 March 2024, the Special Tribunal prohibited the Letwaba brothers and any other person with knowledge of the order from selling, disposing, leasing, transferring, donating, or dealing with the farm in any manner. The 3426 128 Hectares farm is registered under the Mosokoti Business Trust, whose trustees are the Letwaba brothers. The funds that were used to purchase this farm emanate from the NLC. The farm is now preserved pending the final determination of a civil action to be brought by the SIU within 60 days.

The SIU received a tip-off from a whistleblower about the sale of the farm and its potential link to NLC funds. Following the tip-off, the SIU found that the farm was purchased using NLC funds siphoned through the two organisations.

Organisation 1: Lulamisa Community Development Organisation NPO

The SIU's investigation revealed that in July 2015, an application for grant funding for Lulamisa Community Development Organisation NPO (Lulamisa) was submitted to NLC. On the application form, the NPO was requesting an amount of R85 million for "hosting the Commonwealth Games, which would benefit the people of South Africa and boost the economy of the city of Durban. The NLC granted Lulamisa R80 million in two tranches of R64 million and R16 million, respectively.

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Between 1 and 31 March 2016, Lulamisa made various payments to Iron Bridge Travelling Agency totalling R2 712 269.77. Phillemon Letwaba's wife, Rebotile Malomane, owns Iron Bridge Travelling Agency.

In April 2016, Iron Bridge Travelling and Events transferred R1 000 000.00 to Conveyancing Attorneys, which went towards purchasing the farm.

Organisation 2: Tshikovha Graduate Academy

On 11 February 2016, Konani Pfunzo Learning Centre applied for grant funding to NLC for R49 935 697.52. The request aimed to assist Tshikovha Graduate Academy, an NPC, in drilling 200 boreholes in Limpopo, Mpumalanga, Northwest, Free State, and Eastern Cape Provinces. On 19 February 2016, NLC awarded Konani Pfunzo Learning Centre grant funding of R55 463 735.

On 22 February 2016, Konani Pfunzo and Tshikovha graduate signed a memorandum that the grant will be transferred to Tshikovha graduate within two working days upon receipt thereof. After Konani Pfunzo received grand funding from NLC, an amount of R55 250 000 was transferred to the bank account of Tshikovha Graduate Academy.

Two days after receiving these funds, Tshikovha Graduate Academy transferred R4 800 000.00 to a private company named Redtaq (pty) LTD. Karabo Charles Sithole, Phillemon Ledwaba's cousin, is the sole director of Redtaq.

On 01 March 2016, Redtaq transferred R600 000.00 to Iron Bridge Travelling and Events. On 03 March 2016, Tshikovha further transferred R4 500 000.00 to Redtaq. On 23 March 2016, Redtaq transferred R2 400 000.00 to Conveyancing Attorneys. On the same day, Iron Bridge Travelling and Events transferred R66 009.83 and R300 000.00 to the same Attorneys.

On 30 March 2016, Tshikovha transferred R8 000 000.00 to Mshandukani Holdings's bank account. Mshanduka Holdings is a private company with the company and Mr Mashudu Shandukani, a sole director. On 05 April 2016, Mshandukani Holdings transferred an amount of R1 000 000.00 to Ndzhuku Holdings' bank account. On the same day, Ndzhuku Holdings transferred an amount of R1 000 000.00 to the same Attorneys as mentioned before.

The farm was purchased for a total of R4 766 003.83. The SIU's evidence shows that Letwaba contravened the NLC's conflict of interest clause. He also used the funds received from NLC-funded NPOs for his gain.

The interdict is part of implementing SIU's investigation outcomes and consequence management to recover cash and assets lost by State institutions due to alleged corruption or negligence. Acting on the tip-off is part of fighting corruption as a whole of society, as envisioned in the National Anti-Corruption Strategy.

The SIU was authorised by President Cyril Ramaphosa in terms of Proclamation R32 of 2020 to investigate allegations of corruption and maladministration in the affairs of NLC and the conduct of NLC officials and to recover any financial losses suffered by the State.

The SIU is empowered by the Special Investigating Units and Special Tribunals Act 74 of 1996 to institute a civil action in the Special Tribunal or the High Court to correct any wrongdoing it uncovers in its investigation. The SIU refers the evidence pointing to criminal conduct to the National Prosecuting Authority for further action.

END.

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