

SWORN STATEMENT

I, the undersigned **Paul O'Sullivan**, ID No. [REDACTED], state under oath as follows:

1

This is a supplemental statement to A1 of the above mentioned docket. My personal particulars remain the same. The purpose hereof is to give further clarity about certain matters that the Prosecutor may seek clarity on.

2

The first piece of evidence I wish to add, is a copy of the letter dated 2017-08-18 from Standard Bank, confirming the date of opening of the bank account of CMI Infrastructures (Pty) Limited. This document was found at page 1839 of the discovery bundle in the High Court - JOHANNESBURG case No. 33450/2018 being the case of Durban Container Terminal Contractors v Transnet and others.

3

The next piece of evidence I supply, is the 'letter of intent' to award the contract by Transnet dated 2018-07-06. This document was found at page 2,485 of the same discovery bundle referred to above. It is my allegation that, without the fraud committed by CMC di Ravenna Director Mr Adriano Donadon, in his letter dated 21 August 2017 (three days after CMI Infrastructures (Pty) Limited's bank account was opened), then the contract would NOT have been awarded to CMI Emtateni joint Venture, in the amount of more than R4 Billion. Additional to the letter of intent, is a media release of Transnet dated 2018-09-18, which I have obtained by downloading from Transnet's website.

4

I now wish to submit the evidence that when Mr Enrico Alicandri made an affidavit at Bedfordview on 2018-12-22, in which he was lyrical about the contract held by CMC di Ravenna in Durban, valued at EUR225 million, he knew that at that time the contract in question has been 'suspended'. In this regard I refer firstly to the letter dated 2018-11-19, addressed to me by Mr Tau Morwe, the then acting Group CEO, wherein he communicated his intention to suspend the contract, as well as a media



release of Transnet (also obtained from its website) dated 2018-11-23, which makes it clear the project has been stopped.

5

As can be seen from Alicandri's affidavit, he dishonestly applies for business rescue, whilst purporting the company has a good chance of being rescued, when it must be clear he knew the company was not only doomed, but that the Durban Port tender had been suspended.

6

I therefore request that the State move quickly to prevent these suspects from fleeing the country as they all have Italian passports and there is nothing that binds them to South Africa.

7

Prior to me signing this statement, I have carefully read through it and am satisfied that the facts are correctly and accurately recorded. The following questions were put to me in person by the commissioner of oaths and I entered the answers thereto in my own handwriting:

'Do you know and understand the contents of this statement?'

Yes

'Do you have any objection to taking the prescribed oath?'

No

'Do you consider the prescribed oath binding on your conscience?'

Yes



Paul O'Sullivan

I certify that the deponent has acknowledged that he knows and understands the contents of this statement which was sworn to before me and the deponents signature was placed thereon in my presence at **JOHANNESBURG** on this the **TWENTY SEVENTH** day of **MAY 2019**.



Commissioner of Oaths





STANDARD BANK
GOSS:MAINTENANCE1

2017-08-18

00-13-18

Date 18 August 2017

To Whom It May Concern

Re: Confirmation of Bank account

This letter serves to confirm that the below mentioned customer conducts an account in our books.

Name of account	CMI Infrastructures (Pty) Ltd.
Account number	240247949
Account type	BUSINESS CURRENT ACCOUNT
Registration/identity/passport number	2017/271678/07
Branch	BEDFORD GARDENS
Branch code	018305
Branch code (electronic payments)	051001
SWIFT address	SBZA ZA JJ
Date account opened	18 August 2017

This letter is given without responsibility and does not give rise to any obligations or liability on the part of the Bank and/or its officials.

We trust the above meets with your requirements.

Yours sincerely
Mariska van Dyk
Service Unit Manager
Commercial Banking
(011) 601-4556

Standard Bank Centre 1st Floor 5 Simmonds Street Johannesburg 2001 / PO Box 61690 Marshalltown 2107 South Africa
Tel. Switchboard: +27 (0)11 636 9112 +27 (0)11 636 6299 Fax +27 (0)11 636 6299 / Name.Surname@standardbank.co.za / standardbank.co.za

The Standard Bank of South Africa Limited (Reg.No. 1962/000738/06) Authorised financial services and registered credit provider (NCRCP15)

Directors: TS Gcabashe (Chairman) SK Tshabalala* (Chief Executive) Dr. A Daehnke* RMW Dunne#
BJ Kruger* Adv. KD Moroka Dr. ML Oduor-Otieno## AC Parker ANA Peterside co-#### MJD Ruck PD Sullivan#### BS Tshabalala EM Woods

Company Secretary Z Stephen 01/05/2016
*Executive Director #British ##Kenyan ###Nigerian ####Australian

ST

2485

TRANSNET



**CMI Emtateni Joint Venture
2nd Floor, Block A,
EOH Business Park, Osborne Lane,
Bedfordview,**

Date: 06 July 2018
Reference: 2122830-618

Attention: Paolo Porcelli

Dear Mr. Porcelli

RE: LETTER OF INTENT

For the Provision of DCT Berths 203 to 205 Reconstruction, Deepening and Lengthening

Transnet expresses its appreciation for your participation in bidding for the provision of the above-mentioned works. Your efforts in the preparation and submission of your proposal and your excellent cooperation thereafter have been greatly appreciated.

Following an extensive evaluation process, we are pleased to confirm that your company has been identified as a preferred bidder, subject to the following conditions precedent, namely:

- the acceptance by the parties of the contract terms based on the RFP's terms and conditions and execution thereafter of a contract.

The purpose of this Letter of Intent [LOI] is to record the intentions of the parties in respect of the required services for the DCT Berths 203 to 205 Reconstruction, Deepening and Lengthening and it will remain in effect until the contract is signed by both parties, or until 30 [thirty] days have elapsed from date of issue of this LOI, whichever event should occur first.

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Dr FS Mufamadi AP Ramabulana GT Ramphaka LL von Zeuner
MS Mahomed* (Acting Chief Financial Officer)
*Executive

Group Company Secretary: NE Khumalo

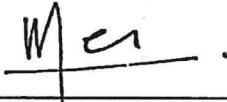
www.transnet.co.za

Handwritten signatures and initials, including 'ST' and a large signature.

Please note that the contract documents will be drafted by Transnet and will be subject thereafter to discussion and final agreement between both parties.

Kindly Indicate your acceptance of this LOI by counter-signing below and by returning a signed copy, in original, to Transnet for its records.

Yours sincerely



Name: Krishna Reddy
Designation: Chief Capital Officer
For and on behalf of **Transnet SOC Ltd**



Name: Paolo Porcelli
Designation: CEO CMC SA
For and on behalf of **CMi Emtateni Joint Venture**

Date 06 July 2018

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MEDIA RELEASE



Transnet Due to Commence DCT Berth Deepening Project

[Durban, South Africa, 11 September 2018] Transnet's forthcoming project to create deeper berths at Durban Container Terminal (DCT): Pier 2's North Quay will enable the Port of Durban to accommodate newer generation container vessels by 2023.

Addressing stakeholders at a business breakfast in Durban on Tuesday, representatives of Transnet National Ports Authority (TNPA), Transnet Port Terminals (TPT) and Transnet Group Capital (TGC) provided a project update to stakeholders ahead of anticipated site establishment by end October 2018.

The contract for the multi-billion-rand Main Marine Construction Works package has been awarded to CMI Emtateni Joint Venture, which boasts a Level 2 BEE status and is made up largely of four entities. These include Italian construction company CMC Di Ravenna and its 51% black-owned South African company CMI Infrastructure, which is a 10-year old unincorporated Joint Venture with PG Mavundla Engineering (PTY) Ltd. Also included in the partnership are Oame Emtateni Empowerment Group Consortium, which is a combination of five local, independently owned, black- woman-owned companies that have been working as a collective for the last fifteen years, and Masinya Emtateni Empowerment Group Consortium which was also formed through a combination of five local black companies.

An independent Environmental Compliance Officer (ECO) package was awarded to GIBB to audit environmental compliance on the project.

Transnet Chief Capital Officer, Krishna Reddy, said the R7 billion mega project would help to sustain the existing container operations at the Port of Durban, specifically DCT Berths 203 to 205.

"In the Port of Durban which handles approximately 65% of the total containerised cargo of South Africa, we have a critical need to provide modern, safe, deeper and longer container berths to accommodate the ever-increasing size of container vessels we are now servicing. This will ensure that our flagship Port of Durban and South Africa as a whole remain competitive within the industry, while catering safely for the needs of the marine sector," he said.

The Main Marine Construction Works to be carried out by CMI include the reconstruction, deepening and lengthening of berths 203 to 205 to provide safe docking capacity. Currently Super Post Panamax vessels 9200 TEU and larger take up two berths on the North Quay, shrinking port capacity, while larger vessels can only enter the channel at high tide. This results in delays and vessel queues at outer anchorage.

Marine Infrastructure Package

The marine infrastructure work will be executed in three successive phases – commencing with work on berth 205, followed by berth 204 and ending with berth 203. This staggered approach will ensure that the terminal is able to accommodate two vessels at any time between berths 203 to 205, even while one berth is decommissioned.

A new quay wall will be constructed 50m seawards of the existing quay wall, along Berths 203 to 205, which will provide sufficient water depth to safely accommodate larger Post Panamax vessels. The existing quay wall will be deepened from -12.8m to -16.5m Chart Datum Port (CDP) and lengthened from 914m to approximately 1 210m which will allow for the simultaneous berthing of three 350m long Post Panamax Vessels. These berths have been operating beyond their original water depth design specifications.

Dredging will be carried out to deepen the turning basin and approach channel serving Berths 203 to 205 from -12.8m to -16.5m CDP.

Seven existing 80-ton ship-to-shore cranes at DCT: Pier 2 will be modified to suit the profile of the new quay wall structure and to serve berths 205 to 203.

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Environmental Authorisation

An independent Environmental Monitoring Committee (EMC) Chair package has been awarded to Smith Ndlovu Summers Attorneys to oversee environmental compliance on the Main Marine Construction works. Once the project activities commence, the independent Environmental Compliance Officer (ECO) will audit compliance against the various environmental permits and will provide feedback to the relevant authorities should there be any non-compliance.

TNPA has undergone a rigorous environmental impact assessment (EIA) process in which interested and affected parties lodged any appeals and concerns, which were responded to in line with regulatory requirements.

"We employed extensive specialist studies to mitigate any socio-economic, health and safety or environmental impacts, drawing on the expertise of experienced marine ecologists, avifauna specialists and climate change experts. Based on our studies and public participation efforts, the Department of Environmental Affairs awarded us with environmental authorisation for marine works in September 2016 and for landside works in October 2016," said TNPA Chief Executive, Shulami Qalinge.

A coastal water discharge permit was granted in March 2018. Also approved in July 2018 was TNPA's application for an offshore sand winning license for the mining of sand to be used in the caisson infill. TNPA anticipates that approval will be granted in September 2018 regarding the dumping at sea permit for the disposal of spoil from dredging activities during construction, as well as the commitment to offset by Transnet and the Central Sandbank Monitoring Plan (CSMP).

Socio-Economic Benefits

The procurement sourcing strategy for all the project packages is clearly defined, including focus areas for Supplier Development (SD), B-BBEE Improvement Plans and Local Content (LC) that advance transformation and build capacity among Black Owned (BO), Black Woman Owned (BWO) and Youth Owned (YO) Companies.

CMI has committed a minimum of 40% of the total contract value towards Supplier Development, including the establishment of a 100% black women-owned ready mix concrete supplier to the value of more than R70 million.

In addition, CMI expects to create 380 jobs through this project, of which around 45% will be semi-skilled or skilled, while 55% will be unskilled jobs.

More than R700 million will be invested by CMI to promote small businesses, spanning Black Women Owned, Black Owned, Black Youth Owned, QSEs and EMEs.

In terms of regional spend CMI will invest more than R182 million, with 70% of this ploughed back into building the capacity of black-owned suppliers and installers of rebar and steel reinforcing.

Twenty percent of the regional spend would go towards providing black female owned fuel supply companies with consistent revenue over a sustained period, thereby allowing these companies to increase local market capacity.

For the remaining 10% of its regional spend, CMI has identified various black youth owned companies who can provide materials and services, including construction tools, construction spares and site support, and has also matched the capabilities of five companies owned by people with disabilities to specific activities on the project.

The areas of KZN chosen by Transnet for positive rural integration initiatives through this project are KwaMduzi, Mkuze, Ingwavuma, KwaNgwanase, Manguzi, Jozini and Pongola.

TNPA also hopes to implement Corporate Social Investment projects in areas in and around Durban as a positive offshoot of the DCT Berth Deepening and Lengthening Project.

Ends

Image Gallery

Below: Durban Container Terminal Pier 2 Berths 203 to 205 will be deepened and lengthened as part of a R7 billion mega project by Transnet National Ports Authority.





About Transnet National Ports Authority

Transnet National Ports Authority (TNPA) is one of five operating divisions of Transnet SOC Ltd. The National Ports Authority is responsible for the safe, effective and efficient economic functioning of the national port system, which it manages in a landlord capacity. It provides port infrastructure and marine services at the eight commercial seaports in South Africa – Richards Bay, Durban, Saldanha, Cape Town, Port Elizabeth, East London, Mossel Bay and Ngqura. It operates within a legislative and regulatory environment and is governed by the National Ports Act (Act No. 12 of 2005). For more information visit www.transnetnationalportsauthority.net.

About Transnet Port Terminals

Transnet Port Terminals manages 16 cargo terminal facilities across seven South African ports with a staff complement of over 9 000. Its operations target four major market sectors, namely the automotive sector, containers, bulk and break bulk, organised according to their respective geographical regions.

Nozipho Sithole is the Chief Executive.

For information, visit www.transnetportterminals.net

Issued by:

Ayanda Mantshongo
Executive Manager: Corporate Affairs
Transnet National Ports Authority

And

Mbali Mathenjwa
Executive Manager: Corporate Affairs
Transnet Port Terminals
Tel: 031 308 8310/083 279 2651

On behalf of:

Shulami Qalinge
Chief Executive
Transnet National Ports Authority

Nozipho Sithole
Chief Executive
Transnet Port Terminals

Moshe Motlohi
Project Spokesperson
Transnet National Ports Authority

ST

AK

Mr. Paul O'Sullivan
Sandton

Dear Mr. O'Sullivan

Per Email: Paul.osullivan@poaa.za.com

Re: FORENSIC REPORT ON THE AWARD OF DURBAN BERTH DEEPENING TENDER

We acknowledge receipt of your Forensic Report on the above matter, and for which we thank you.

Having read your report and discussed its contents as the Transnet Management, we were shocked and concerned at the possible irregularities and corruption that seem to have happened in the procurement process that resulted in the award of this contract to CMI Emtateni Joint Venture.

As a result, thereof, management has agreed to your proposed action as reflected from page 24 of your report. To be precise, the following action plans have been agreed to:

1. Self-report suspected tender fraud to National Treasury; The Transnet Chief Procurement Officer will report to National Treasury by 20 November 2018;
2. Withdrawal of the Transnet Notice of Intention to Defend; Transnet legal will instruct its attorneys of record to file a Notice of Withdrawal and Notice to Abide the Court's decision by 20 November 2018;
3. Conduct an independent forensic investigation on the suspected irregularities; Transnet Internal Audit will initiate investigations, commencing with the determination of the validity of the JV-CIDB certificate;
4. Suspend the CMI Emtateni JV Contract pending the outcome of Transnet's investigation; Transnet has decided to suspend the contract and will communicate that decision to the affected party by 20 November 2018;

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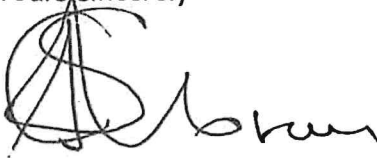
www.transnet.n

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5. Report in terms of Sec 34 of PRECCA; the Acting Group Chief Executive will be reporting the suspected corrupt activities in accordance with PRECCA on 20 November 2018.

I wish to assure you that Transnet is taking these allegations seriously hence the decision to act with speed. I again take the opportunity to thank you for bringing this to our attention.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tau Morwe'.

Tau Morwe

Acting Group Chief Executive

DATE: 19/11/2018

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DURBAN CONTAINER TERMINAL (DCT) BERTH DEEPENING AND LENGTHENING PROJECT

[Johannesburg, South Africa, 23 November 2018] Transnet SOC Ltd has issued a stop work instruction on the Main Marine Construction works contract of the Durban Container Terminal (DCT): Pier2's North Quay berth deepening and lengthening project.

The contract for the multi-billion-rand Main Marine Construction Works package of the project was awarded to CMI Emtateni Joint Venture, following an open tender process that started in January 2017 and closed on 22 August 2017. Four tenders were received and evaluated and adjudicated by November 2017. The contract with CMI Emtateni JV was signed on 30 July 2018.

In August 2018, one of the unsuccessful bidders indicated their unhappiness to Transnet on not being awarded the contract and raised a number of issues. They also lodged a Court application challenging Transnet's decision to award the contract to CMI Emtateni JV.

Transnet was also provided with unsolicited information from a forensic investigator. This has led to management initiating its own independent forensic investigation on these allegations raised.

In the interest of good corporate governance Transnet has decided to issue a stop work instruction on the Main Marine Construction Works contract pending the outcome of the investigation.

Transnet will provide further information regarding the implications to the Main Marine Construction contract and its impact on the timelines of the project once the findings from the investigation have been received and studied.

Issued on behalf of Transnet Group Capital

For more enquiries please contact:

Molatwane Likhetha

GM: Corporate Affairs and Public Affairs

Molatwane.likhethe@transnet.net

A handwritten signature in black ink, appearing to be 'S' followed by a stylized flourish.A handwritten signature in black ink, appearing to be 'A' followed by a stylized flourish.