

# EXHIBIT HH 15

# JOHANNES CORNEULIS HERMANUS THERON



#### JUDICIAL COMMISSION OF INQUIRY INTO ALLEGATIONS OF STATE CAPTURE, CORRUPTION AND FRAUD IN THE PUBLIC SECTOR INCLUDING ORGANS OF STATE



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# IN THE COMMISSION OF INQUIRY INTO ALLEGATIONS OF STATE CAPTURE, CORRUPTION AND FRAUD IN THE PUBLIC SECTOR INCLUDING ORGANS OF STATE ("THE COMMISSION")

## AN INVESTIGATION INTO THE VREDE DAIRY PROJECT

### AFFIDAVIT

I, the undersigned,

#### JOHANNES CORNEULIS HERMANUS THERON

hereby declare under oath as follows:

- 1. I am a major male estate agent conducting my business at Memel in the Free State province.
- The content of this affidavit is true and correct and falls within my own personal knowledge, unless the contrary clearly appears from the context or is otherwise stated.
- 3. I have been approached by investigators associated to the Commission of Inquiry into Allegations of State Capture, Fraud and Corruption in the Public Sector and certain Organs of State ("the Commission") to provide information as to my knowledge relating to Estina (Pty) Ltd (Registration No. 2008/015033/07) ("Estina") and the Vrede Integrated Dairy Project.
- During or about 2012, I was employed by Mr Rodney Newman as the Dairy Manager for his diary business conducted on the farm Cork in the district of Vrede.

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- 5. I have a BCom degree obtained from the university of the Free State in 1976, and have been involved in Dairy farming for at least the last 40 years in one way or another. I have extensive experience in all aspects of commercial dairy farming in the Republic of South Africa. I have been involved in dairy farming activities in both the Free Sate and Natal provinces.
- 6. Durig or about the middle of 2012, I was approached by Mr Newman who informed me that a delegation from a company known as Estina, would be visiting the Dairy, and that this delegation would be attending to the establishment of a substantial government Dairy Farm in the Vrede, and that they needed local advice as to local Dairy conditions.
- 7. On arrival I recognised Mr John Motaung the then Mayor of the Vrede Municipality, along with an Indian delegation of about 15 people. When I make reference to an Indian delegation, although some of these individuals were South African, it was clear that several were not South African and in fact from India.
- 8. It became apparent form the initial discussions that the dairy was to be established on the farm Krynauslust a portion of which I knew the Newmans had leased from the local municipality. I also subsequently learnt that in breach of the agreement and after exerting substantial pressure on the Newmans, the agreement was terminated. I particularly recall that Mr John Motaung attended the farm several times to try and persuade Mr Newman to terminate the lease.
- During the visit I was required to demonstrate and explain the happenings at the NEwmans Dairy. At that stage we had 400 cows in Milk, producing about 21,000 litres every second day, equating to approximately 25 litres per cow

per day. This was a profitable operation.

10. Approximately a month later, I was contacted telephonically by Mr Ashok Narayan, one of the members of the delegation, who informed me that he wished to urgently meet with me in Johannesburg. I duly informed Mr Newman, and together we left for Johannesburg, for a meeting which took place in a security compound in Saxonwold Johannesburg. Both Mr Newman and I were astounded at the security measures in place at this compound.

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- 11. The meeting was initially conducted by Mr Narayan, who informed us that this was a major government project and that "Estina" had undertaken to make a substantial investment of R300 million into the project, and that government would in turn invest some R700 million rand in the project, making it a Billion Rand agriculture project.
- 12. He proceeded to tell us with great emphasis that the project was a key project of the then Premier of the Free State Mr Ace Magashile, and that the erstwhile Premier had a substantial role in ensuring the success of the project.
- 13. During the discussion, Mr Narayan stated categorically that his role in the project was that as an advisor or agent of the erstwhile Premier, and was there to ensure the success of the project.
- 14. Initially I was in awe of this project, and the sheer numbers associated with it, but I did have my misgivings. These were particularly since the budget felt rather inflated, and more importantly the area where they wished to establish the project was clearly not the best option, being dry Free State grazing. I felt that a project of this nature would probably be best suited to costal areas,

where water is in abundance.

- 15. After our initial discussion I was introduced to an Indian vet and we spent the greater portion of that day discussing the intricacies of dairy farming in the Vrede area. These issues related to feeding of cattle, the type of cattle, the common diseases that occur and so on.
- 16. After about 14:00 we finished the discussion and I had given substantial ideas and plans as to how to construct and establish this dairy. Mr Narayan approached me with an envelope of Cash, which contained as I recall approximately R5,000-00. No invoices or receipts were issued.
- 17. Both Mr Newman and my interest in this matter was the possibility f selling cattle to the project. We had top quality Holstein genetic material, of stud quality and would have been able to supply cattle at approximately R8,000 a head at that time. It became quite apparent that they had no interest in our cattle and so the matter was pursued no further.
- 18. Mr Newman and I did however refer the local agents of Alva Laval, the suppliers of Dairy plant and equipment, to the farm, and they were successful in selling and installing a 30 point rotary milking machine at the farm, the value of which was R6,000,000. I know this since both Mr Newman and I were jointly paid the sum of R60,000-00 as a 1% spotters fee for the referral.
- 19. I also recall some months later approaching a certain Mr Prassad of the Estina company, for purposes of determining if they may be interested in my services as a manager on the project. I was however chased away by Mr Prassad and made to feel very unwelcome, even after all my assistance.

20. I also recall that much was said at the time of the fact that Mr John Motaung had been given a brand new Mercedes ML450, in Black as a thankyou gesture for facilitating the termination of the lease agreements and the negotiation of the new 99 year lease that Estina had obtained over the farm. I must immediately point out that I never saw this vehicle, or heard this information first hand, but I do recall it was common talk amongst the residents of Vrede at one stage.

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21. This is all I wish to declare at this stage.

DEPONENT

Signed and sworn before me at  $\sqrt{REEC}$  this 26 day of  $\underline{CEPTCMBER}$  2019 after the deponent declared that the deponent is familiar with the contents of this statement and regards the prescribed oath as binding on the deponent's conscience and has no objection against taking the said prescribed oath. There has been compliance with the requirements of the Regulations contained in Government Gazette R1258, dated 21 July 1972 (as amended).

COMMISSIONER OF OATHS:

FULL NAMES:

CAPACITY:

ADDRESS:

-VADA		
V.R. MOTHE	SMABU	
JUYIEI CE	ROSEUNA	MITHEMBY
CONSTRB	LE	
ON CHUR	CH STREET	r
VRECE		
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