



co-operative governance,
human settlements & traditional affairs

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

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Litiko Letekubusa
Ngekubambisana
Tekuhlaliswa Kwebantfu
Netendzabuko

Departement van
Samewerkende Regering
Menslike Nedersettings
en Tradisionele Sake

UmNyango weTjhebiswano
laboRhulumende
zokuHlaliswa kwabantu
neenDaba zenDabuko

Media Statement

22 June 2026

CoGHSTA REJECTS FALSE NARRATIVE REGARDING ALLEGED ASSET SEIZURE AND DISPUTED COURT JUDGEMENT.

The Mpumalanga Department of Co-operative Governance, Human Settlements and Traditional Affairs (CoGHSTA) has noted with concern the Sunday Times article titled - "**State Scrambles to Stop R470 Million Asset Seizure**" - and wishes to place the facts on record. The allegations and assertions contained in the reports are devoid of any truth and constitute an atrocious disregard for factual accuracy. The Department rejects the false narrative being advanced and views the publication as a gross misrepresentation and falsification of facts surrounding the matter.

The Department is concerned that certain reports appear to be devoid of the facts and have become a willing channel for anonymous sources intent on promoting mischief and misinformation. Such reporting undermines public confidence and fails to present a balanced and factual account of the dispute. CoGHSTA further distances itself from attempts to generate public sympathy and exert undue pressure on it to make payments that are neither due nor payable. *"As the custodian of public resources, the Department remains committed to safeguarding public funds and will continue to exercise its responsibilities in strict compliance with the provisions of the Public Finance Management Act (PFMA)"*, stressed MEC Speed Mashilo.

The Department wishes to clarify that it has formally challenged the default judgment that was issued against it in favour of XJR Construction Company. Appropriate legal processes are currently underway and the matter remains subject to judicial consideration. In light of these ongoing legal proceedings, it would be inappropriate to comment extensively on issues that are before the courts. However, the Department remains confident in its legal position and will continue to pursue all available legal remedies to protect the interests of the State and the public purse.

Further, the Department respects the judicial process and remains confident that the legal proceedings currently underway will provide an appropriate platform for all relevant facts to be placed before the court. *"We will continue to take all lawful and necessary measures to protect the public purse while ensuring that all disputes are resolved through the appropriate legal channels"*, concluded MEC Mashilo. All stakeholders and the public are urged to exercise caution regarding unverified claims and to allow legal process to run its course.

ISSUED BY THE COMMUNICATIONS DIRECTORATE
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