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Media Statement

18 February 2020

NORTH WEST GAMBLING BOARD'S RESPONSE TO BRIBERY ALLEGATIONS BY GOLDRUSH

In the recent past the North West Gambling Board experienced negative publicity from various news outlets. This narrative which was based on unfounded allegations, has not only harmed the image of the Board, but critically perpetuated a discourse which portrays the Board and its Directors in a negative light. In an article on City Press titled "Bribery allegations at North West Gambling Board" published on 28/01/2020 the Deputy Chairperson of the Board and Investigations and Licensing Manager are alleged to have tried to solicit a bribe from a licensee, Goldrush.

The Board can categorically put it on record that:

- During its meeting of March 2019 resolved not to renew the licenses of Goldrush and its related companies due to its contravention of license conditions relating to 60/40 shareholding (60% for the Previously Disadvantaged Individuals and 40% is for Previously Advantaged Individuals)
- Pursuant to the resolution of the Board not to renew the license of Goldrush and its related companies, Goldrush approached the Mahikeng High Court on urgent basis seeking an order setting aside the decision of the Board.
- On April 2019, the Mahikeng High Court dismissed an application by Goldrush with costs.
- Following the dismissal of the application of Goldrush by the High Court, the Board and Goldrush reached a settlement agreement which was made an order of the High Court in terms of which the Board will renew Goldrush licenses subject to the following conditions:
 - (i) That Goldrush shall restore 60/40 shareholding within 60 days;
 - (ii) That Goldrush shall pay a penalty of R3.6 million within 60 days for contravening the license conditions;
 - (iii) That Goldrush shall pay dividends to its shareholders;

Due to the failure of Goldrush to meet the conditions as agreed upon which Goldrush voluntarily entered into, the Board took a decision to suspend the license of Goldrush in June 2019.

Board Members: Mr LW Vere (Chairperson), Ms LI Seepe (Deputy Chairperson), Ms N Maharaj, Colonel SM Reddy, Mr TK Mathe, Mr W Reetsang, Ms C Molosiwa, *Mr B Mabale (Acting Chief Executive Officer)*, RJ Montshioa (Board Secretariat)

Therefore, bribery allegations against the Deputy Chairperson and the Investigations and Licensing Manager does not hold water as the decision to suspend the licenses was already taken and communicated to Goldrush. These allegations are not only malicious but intend to damage the reputation of the Board and its officials. It must be noted that no individual Board Member nor official can influence or sway the decision of the Board to favour any group or individual.

The North West Gambling Board believes in good governance and for five consecutive years it has obtained unqualified audit reports from the Auditor General. Over and above its mandate to regulate gambling in the province the Board has embarked on socio-economic developmental projects for the poor and underprivileged individuals and communities residing in the North West. This is primarily aimed at helping our government to address the triple challenges of poverty, unemployment and income inequalities bedeviling the development of our province.

In conclusion, the Board insists that these allegations of unfairness and bribery by Goldrush are nothing but an attempt to deflect from real issues regarding non-compliance as was established during our investigations.