



10 May 2021

Zondo commission – No properties bought with Prasa money, says Montana

None of the multi-million-rand properties investigated by the state capture commission as being bought by former Prasa GCEO Lucky Montana during his tenure at the rail agency were acquired with proceeds from corruption, he says. Montana returned for another day of testimony before the commission on Monday.

In previous evidence Montana was alleged to have initiated the purchase of four properties, ranging between R3.5-million and R13.5-million in value, and later relinquish ownership under suspicious circumstances to a shelf company called Precise Trade and Invest. To make this happen, Montana would instruct transaction lawyers to remove his details from contracts and replace them with those of Precise, without explanation.

Commission investigator Clint Oellerman , testified in July last year that Montana accumulated properties, in upmarket Gauteng suburbs, totalling around R36-million over a period between 2013 and 2016. Oellerman linked the transactions, four in total, to Montana's alleged influence over Prasa's dealings with Siyangena Technologies.

Siyangena director Mario Ferreira is thought by Oellerman to have facilitated an arrangement between Montana and Riaan van der Walt, an attorney who oversaw the affairs of Siyangena subsidiary TTM Holdings in the property dealings. Montana would identify property that he was interested in, make an offer, and later relinquish the offer to Precise. In the end, Montana's properties were taken over by Precise before they were officially transferred into his name.

Montana denied this on Monday, saying he had always had an interest in property development and trading as a side hustle, even before he joined Prasa. When he first moved to Gauteng from Cape Town to take up a position as a deputy director-general in the Department of Transport, Montana bought three properties.

"There were seven properties in my name. I acquired three of them before I joined Prasa, in 1998, 2004 and 2005, and I acquired four when I was in the employ of Prasa. I have since disposed of four properties over the years," he said.

"There was no Riaan van der Walt or Siyangena Technologies when I bought any of these properties. I used my properties to generate profit or as equity in any property development where I became partner. I have full right to grow my property portfolio and elected to partner with Riaan van der Walt in this regard."

Montana explained to the commission that he and Van der Walt, whom he recalls meeting as far back as 2012, went into a partnership after realising that they shared an interest in property development. On the basis of the partnership, he would identify properties of interest to him, and have them developed and later sold for a profit, with Precise at times financing the deal.

“My relationship with Riaan van der Walt was above board. It was about identifying opportunities in the property sector. He had never done work for Prasa.” In fact, Montana added, Van der Walt was not involved in the Siyangena affairs, as far as he knew. A copy of a memorandum of understanding between Montana and Precise was admitted into the record, as was an e-mail that serves as termination of their partnership.

Montana took issue with Oellerman’s selective investigation, which he said was premised on a dubious investigation by private investigator Paul O’Sullivan – dubbed the “Irish extortionist” by Montana – who went on a witch hunt against him to try to tarnish his image. O’Sullivan even sent “people” to speak to Montana about his property dealings, who offered to “help” him if he would hand over a cut of the R3.6-billion loot he supposedly stole from Prasa through Siyangena.

O’Sullivan’s investigative report was supposedly leaked to journalist Pieter Louis Myburgh, said Montana, because the latter requested an interview with him in which he probed his acquisition of one of the properties, in the Johannesburg suburb of Parkwood.

“It became clear to Mr Myburgh that he was on a [wild] goose chase to nowhere, and the files indicated that the property in question was acquired by me in 2008 and financed by Absa Bank. In 2008 there was also no tender for this rolling stock, so there was no Alstom involved in that.”

Myburgh’s line of questioning, Montana explained, had probed whether French rail company Alstom had financed the R3.5-million property. Alstom was part of the Gibela consortium through which Prasa was to realise its rolling stock programme, involving 600 brand new trains to augment its Metrorail fleet. The contract, in which Alstom was to lead the consortium also comprising Ubumbano Rail and New Africa Rail, is worth R51-billion.

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