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South Africa in agreement with Frazer Solar as claim against Lesotho government exceeds M1 billion

In a major legal development, the South African Ministry of Justice has supported a key point of Frazer Solar's long-running case over a breach of contract in 2018 by the Government of Lesotho (GOL). Frazer Solar's claim against GOL, including interest, now exceeds M1 billion.

From 6-8 June, GOL's application to overturn Frazer Solar's arbitration award was heard in the South African high court.

While lawyers presented detailed arguments for their respective cases, each side's position can be summarized as follows:

- 1. Frazer Solar claims that GOL's legal challenge was lodged too late, after the fixed deadline, so should not be allowed. This would mean that Frazer Solar's arbitration award remains unchanged.
- 2. GOL claims that Minister Tsolo was not properly authorised when he signed the supply agreement in September 2018. Therefore, everything that followed thereafter, including the arbitration award itself and the deadline to lodge the legal challenge, would be null and void. Consequently, the arbitration award would have to be overturned.

On 26 May, 10 days before the hearing, the South African Ministry of Justice became involved by lodging a 46 page statement with the Court. They followed this up with an additional nine page statement, on 5 June, one day before the case commenced. These statements focused on the deadline issue that is a core pillar of Frazer Solar's argument. The Ministry's view aligns with Frazer Solar's view. The deadline is valid, and there is nothing wrong or unfair about this. Furthermore, the Ministry has sought costs from GOL for its involvement in this case.

For GOL to win its application (before any consideration of their other arguments), the Court needs to decide that the South African Ministry of Justice is wrong in its interpretation of South African law.

A Frazer Solar spokesperson said: "As Frazer Solar stated publicly in October 2021, GOL filed its rescission application after the deadline. Therefore, it isn't valid. Now, in June 2023, the South African Ministry of Justice agrees with our interpretation of the time bar issue.

"With interest accruing daily, at current exchange rates our claim now exceeds M1 billion," the spokesperson continued. "Frazer Solar will keep pursuing all legal means, in any jurisdiction in the world, until we recover every penny of what we are rightfully owed."

Judgement was reserved and an update will be provided when the ruling is made.

Ends

For further information on the facts and history of proceedings between Frazer Solar and the Government of Lesotho, please visit: https://www.frazersolarvlesotho.com/