

Sunland Group

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14 March 2013

The Manager
Company Announcement
Australian Securities Exchange

Dear Sir/Madam,

Response to AFR article

An article that appears in today's *The Australian Financial Review: Sunland denies Dubai summons'* repeats the incorrect allegation that Sunland executives have been summoned by the Dubai Ruler's Court to give evidence in the bribery case by the Dubai Government against Mr Matthew Joyce and others.

The article relies on a letter from the Australian Embassy, Abu Dhabi in November 2012 to Mr Joyce.

Sunland executives have not received any such summons and believes the Embassy letter is incorrect to the extent that it suggests otherwise.

Sunland sought clarification from the Department of Foreign Affairs and Trade in relation to the nature of the Embassy letter and what steps were taken either by the Embassy or DFAT to verify the content and check its accuracy.

In response, DFAT has advised Sunland that the letter '*reflects the observations of the Australian diplomatic staff who attended the [relevant] court hearings in Dubai*'. Their attendance and reporting to DFAT was to support DFAT's '*consular operations*'.

In relation to the accuracy of the letter:

- DFAT did not advise Sunland what steps it took to check the accuracy of the letter or whether the diplomatic staff who attended were professionally trained to understand the Dubai court proceedings they observed.
- DFAT qualified the content, advising that '*[the] letter is not an official transcript of the court proceedings and does not purport to be*' and that the '*staff members involved [did] not have first-hand knowledge of whether or not any witness was sent a summons.*'

DFAT's response was provided to the *Financial Review* who chose not to report it.

Sunland understands that the key Dubai Government allegations being considered in the bribery case are:

- When Sunland paid approximately A\$14 million in 2007 in connection with the purchase of a lot of land on the Dubai Waterfront (plot D17) - approximately \$7 million was received by a company associated with Mr Angus Reed and approximately \$7 million was received into a bank account associated with Mr Joyce.
- The money was received without the full knowledge of Dubai Waterfront – a Dubai government owned corporation where Mr Joyce was the managing director.
- No satisfactory explanation has been given for the receipts.

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At the time Sunland made the payment, it was unaware of how the moneys were disbursed.

Sunland is not a party to the bribery case in Dubai.

The case against Mr Joyce and others in Dubai was brought by the Government of Dubai on the basis of an independent Government of Dubai Financial Audit Department report dated 1 April 2009.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'Sahba Abedian', written over a horizontal line. The signature is stylized and somewhat abstract.

Sahba Abedian
Managing Director