



ENQUIRIES: Mr. Ofentse Nthutang
Chief Executive Officer
E-mail: ofentsen@magalieswater.co.za
Ref. no. 10/2

11 March 2026

Bamogale Enterprise (Pty) Ltd
556 Makou Street
1 Monument Park
PRETORIA
0208

Att: Mr Mosa Mogale

Per Emal: mosa@bamogale.co.za

Dear Sir/Madam;

TERMINATION OF THE SERVICE LEVEL AGREEMENT – RFB/M274/2022-23: PROVISION OF GUARDING SECURITY SERVICES AT HARTSWATER REGION FOR A PERIOD OF THREE (3) YEARS

Your appointed in respect of the subject matter refers.

An incident of non-performance occurred around August 2024 resulting in breach of the Service Level Agreement (SLA) where Magalies Water issued you with correspondence dated 22 August 2024 notifying you of such breach. The breach was in respect of the deployment of unarmed guards at Lehurutshe sites. You were therefore notified to remedy the breach to avoid termination of the agreement.

Another incident occurred around September 2025 resulting in the second breach of the service level agreement. Once more, Magalies Water dispatched correspondence dated 25 November 2025 to you as a result of such breach that occurred on 30 September 2025. The breach related to your security guards closing the Tuang Plant after your failure to pay their salaries.

Today, 11 March 2026, your guards closed Ganyesa district office and Morokweng local office as a result of non-payment of salaries. Both offices/sites accommodate a total of 34 employees who were requested to go back home fearing for their safety.

In terms of clause 11.1 of the service level agreement (SLA), you are obliged to ensure that you comply with the rules and general practices of PSIRA and any other legislation including the Constitution of South Africa.

Your failure to comply with the terms and conditions of the agreement, including failure to pay salaries of your employees resulted in the closure of our sites/plants, which compromised and disrupted the continuous operation of our business. Therefore, this conduct resulted in material breach of your contractual obligation, including the contravention of the Basic Conditions of Employment Act (BCEA). Furthermore, your breach exposed Magalies Water to enormous reputational damage including operations, security and production risks.

Accordingly, Magalies Water is left with no option but to terminate the Service Level Agreement with immediate effect due to reasons and breach outlined above. Should your guards disrupt or close other sites of Maglaies Water in other regions, the contract/service level agreement will be terminated in that region and will result in your company being blacklisted at the National Treasury.

Yours faithfully,

 11/03/2026

Mr. Ofentse Nthutang
Chief Executive Officer

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