

The Australian

Sunland to face ASIC over Dubai criminal probe role

- by: Sarah Danckert
- From: The Australian
- June 09, 2012 12:00AM



Former Nakheel executive Matthew Joyce has been held by Dubai authorities since January 2009 over his involvement in a land transaction. Picture: ITP Images

Source: Supplied

A MELBOURNE court has asked the Australian Investments & Securities Commission to investigate listed property developer Sunland over its disclosures to the Australian Stock Exchange regarding its involvement in a Dubai criminal investigation.

In 2009, Sunland made several announcements to the ASX claiming that none of its staff had been under investigation by the Dubai authorities over a deal with employees of state-owned company Nakheel.

However, judge Clyde Croft yesterday found Sunland Middle East boss David Brown had admitted under oath in the Victorian Supreme Court that he had been questioned by Dubai police over the company's deal with four Australian businessmen in Dubai to secure a prime plot of waterfront land.

Mr Brown was not charged by the Dubai authorities. The four other Australian businessmen involved in the transaction were later charged by the Dubai authorities but each denies any wrongdoing.

Justice Croft dismissed Sunland's civil case against the two of the four Australian businessmen -- Matthew Joyce and Angus Reed -- involved in the deal.

In that case, Gold Coast-based Sunland sought to recover a \$14 million "introductory fee" that it alleged the pair

duped from Sunland to help it secure a prime plot of waterfront land.

The judge found Mr Brown and Sunland founder Soheil Abedian were unreliable witnesses and that it was Mr Brown who sought out Mr Reed and Mr Joyce to participate in the deal.

Sunland said it disagreed "in the strongest possible terms" with the judgment and the court's grounds for referring its findings to ASIC.

"A preliminary reading of the judgment indicates that Sunland has very strong grounds for appeal," the company said. Sunland's shares plunged 4.3 per cent to close at 89c yesterday.

An ASIC spokesperson said it would re-examine the judgment.

Supporters of Mr Joyce, who is under house arrest in Dubai, hope the ruling against Sunland will improve his chances of being found not guilty of corruption charges there.

Transcripts of the Melbourne trial have been admitted as evidence in the Dubai criminal proceedings.

Mr Joyce and former colleague Marcus Lee -- both former Nakheel executives -- have been held by Dubai authorities since January 2009 over their participation in the transaction.

Both men are vigorously disputing the charges.

Mr Reed was not an employee of Nakheel but a Geelong Grammar School friend of Mr Joyce.

Boss of Prudentia Investments, Mr Reed acted as middleman in the deal to secure plot D17 on the Dubai Waterfront development.

Mr Reed and another businessman involved in the deal fled Dubai to avoid being arrested.

He has since been declared a fugitive by the Dubai government and has been charged in absentia for his involvement in introducing Mr Brown to Mr Joyce.

Mr Reed said the Melbourne ruling made clear that he along with Mr Joyce and Mr Lee were innocent.

A ruling is expected in the Dubai criminal case on June 17.

Ads By Google

- ***New St Kilda Apartments***
for sale secure your choice of 1, 2 or 3 bed apartments
www.sk1.com.au
- ***Losing Your 30% Rebate?***
Keep your Health Insurance Rebate. Lock Your Price to Save up to 43%.
www.health.com.au
- ***Luxury Bayside Apartments***
2 & 3 bedroom stunning townhouses Bayside living at it's best
www.thewarleighbrighton.com.au