



ASX ANNOUNCEMENT (ASX: MPO)

31 May 2018

Managing Director's address to Annual General Meeting

Molopo Energy Limited (**Company or Molopo**) announces that Managing Director Mr Baljit Johal delivered the following address at the Annual General Meeting in Melbourne today:

Dear Shareholders, as you would appreciate, the company has endured a tumultuous time over the past 12 months, in particular, from the announcement of the Orient transaction in July 2017 and continuing over the second half of last year and the start of this year.

During this time there has been lots of changes at the board level, a change of company secretary, litigation against the company initiated by a major shareholder, Keybridge Capital Limited (**Keybridge**) and the takeover bid commenced by Aurora Funds Management Limited (**Aurora**). All of these matters have resulted in the company incurring material legal costs and have been a distraction for the board.

Shareholders invested in Molopo as an oil and gas exploration company.

The current Board has not lost sight of that. I am pleased to report that Molopo now owns shares in a company that is producing oil in the US and is exploring exciting tenements in Texas.

Since my appointment as Managing Director, the company now has access to a diversified portfolio of projects and we look forward to further enhancing the shareholder wealth in the not too distant future.

We have provided initial details of these projects in our ASX announcement of 8 May 2018.

However, as you are no doubt aware, as a consequence of recent transactions, which the Board is of the firm view will enhance shareholder wealth, the ASX has raised concerns about Molopo's compliance with some listing rule requirements, which also include the Orient transaction the Company entered into in July 2017, before any of the current Board members were appointed.

In any event, the concerns of ASX have been referred to ASIC and the Company is currently responding to matters raised by ASIC, which relate to the original Orient transaction in July 2017 through to the recent Drawbridge transactions the Company announced on 8 May 2018.

As a consequence of the continuing ASIC inquiry, in addition to other ongoing proceedings initiated by Aurora, with the Takeover's Panel and Keybridge, in the Supreme Court of Victoria, I am not in a position to answer any questions in relation to these transactions, as this may compromise the position of Molopo in any one of these proceedings.

The Board looks forward to providing more comprehensive details of these projects as soon as we are in a position to do so.

MOLOPO ENERGY LIMITED

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