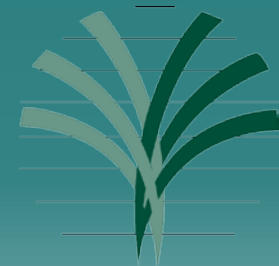




MOLOPO ENERGY LIMITED

Investor Presentation

October 2012



MOLOPO
ENERGY LIMITED

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Molopo Energy Profile (ASX:MPO)

Share Information	
Share Price (Oct 10 2012)	\$0.675
Market Capitalization (Oct 10 2012)	\$166 million
Shares outstanding (Oct 10, 2012)	245,849,711
Net Cash and equivalents (Jun 30 2012)	~\$65 million
12-month daily average volume (Oct 10 2012)	404,000
No. of Shareholders (Oct 10 2012)	6,119

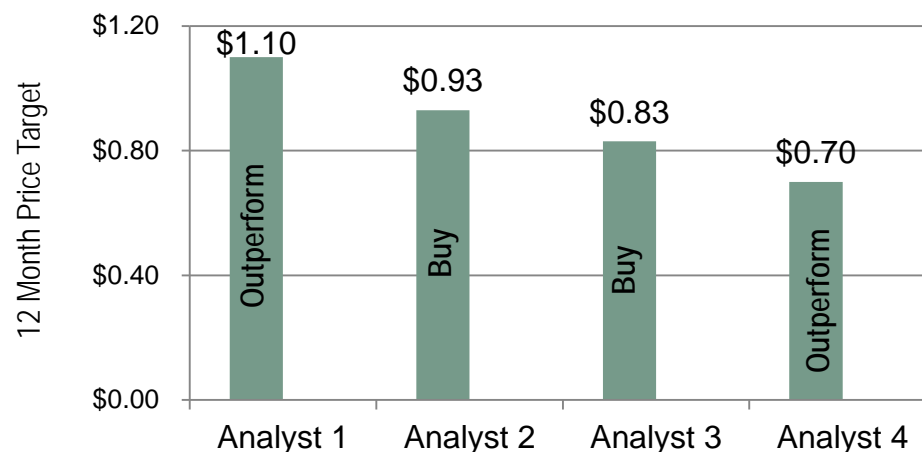
Register Overview as of Sept 27 '12	
Institutional Ownership	~39%
Retail & High Net Worth*	~61%

*May include family offices and other smaller institutional investors

Analyst Research Coverage (Australia):

- EL&C Baillieu: Adrian Prendergast
- Credit Suisse: Ben Combes
- Macquarie: Kirit Hira
- Wilson HTM: John Young

Analyst Rating / Target Price Summary



As at September 12, 2012



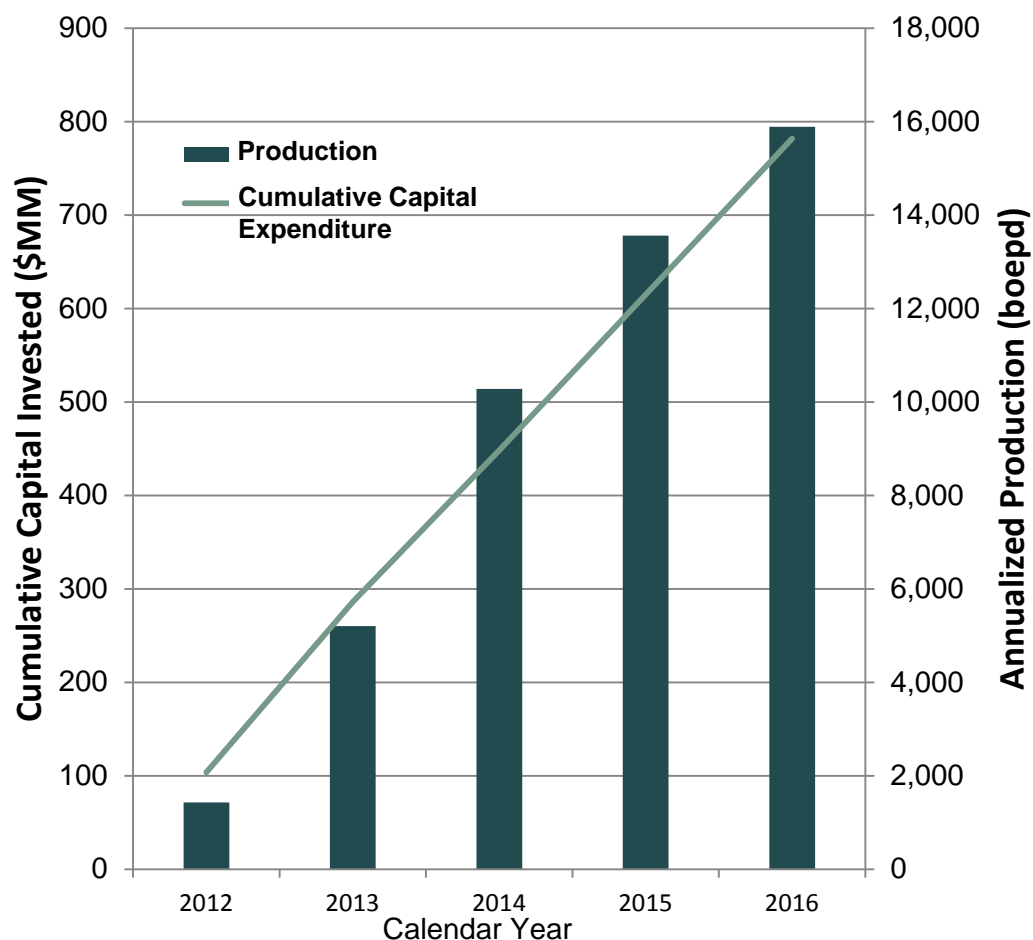
Investment Opportunity

- **Wolfcamp resource play assets with long term growth potential**
 - Focused core area and play type enables efficiencies and area expertise
- **Oil weighted**
 - ~80% light, sweet crude & NGL's
- **Well capitalized**
 - Forecast calendar year end 2012 cash balances of ~\$66MM*
 - Strategy to grow organically using only cash on hand / cash flow
- **Currently undervalued; significant near-term catalysts ahead**
- **Experienced management team**

*includes proceeds from sale of Queensland



Significant Five Year Growth Potential (Unrisked)



Drill count: **10** **28** **28** **25** **23**

- Organic growth potential based on opportunities largely through Wolfcamp acreage in Texas
- Production growth curve based on area type curves + modelled capital investment of ~\$150 - \$200MM per year post 2012
- Assumed 2 wells per section spacing in Wolfcamp drilling and Midale development
- Multi year development opportunities: curve comprises ~100 drilling locations; represents only **20 - 25% of potential**
- Post 2013, capital investment expected to be fully funded by internal cash flow
(2013 capital investment expected to be partially funded by bank debt)

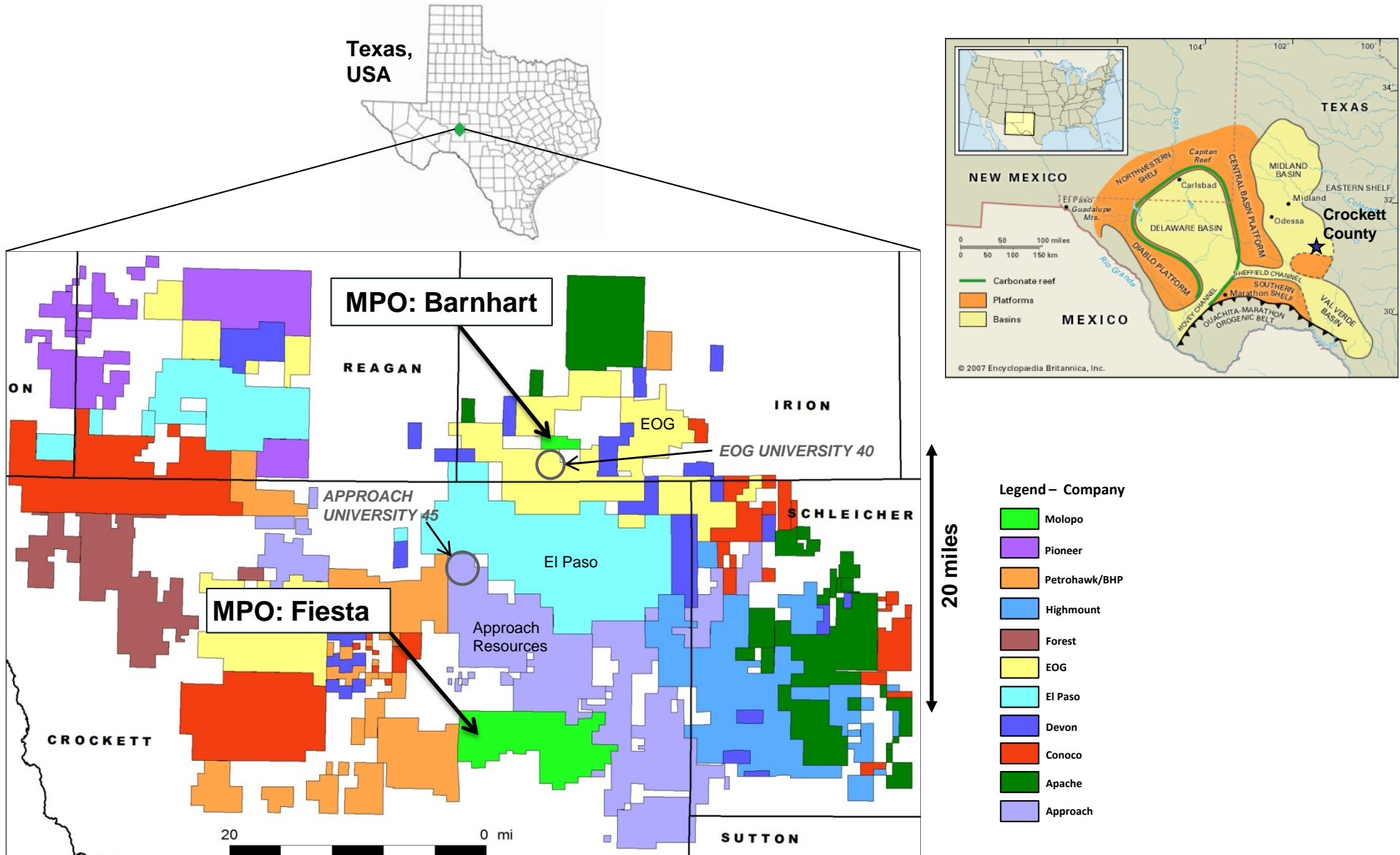


2012 Capital Program & Capital Management

- \$98MM calendar 2012 capital investment fully funded from cash and internal funding
 - \$75MM in Texas and \$21MM in Saskatchewan
 - May shift funds from Saskatchewan for Texas development
- May – December 2012 drilling plans:
 - 6 operated wells in Texas
 - 2 operated and 2 non-operated wells in Saskatchewan
 - Drilling rig contracted for 12 months in Texas
 - 2012 forecast exit rate of 2,300 boepd
- Dec 31, 2012 cash position estimate ~\$66MM (*includes \$41MM Queensland sales proceeds*)
- Loan facility to be in place by mid 2013, with independent reserves survey used to establish initial debt borrowing base
- **Post 2013, capital investment expected to be fully funded by internal cash flow**

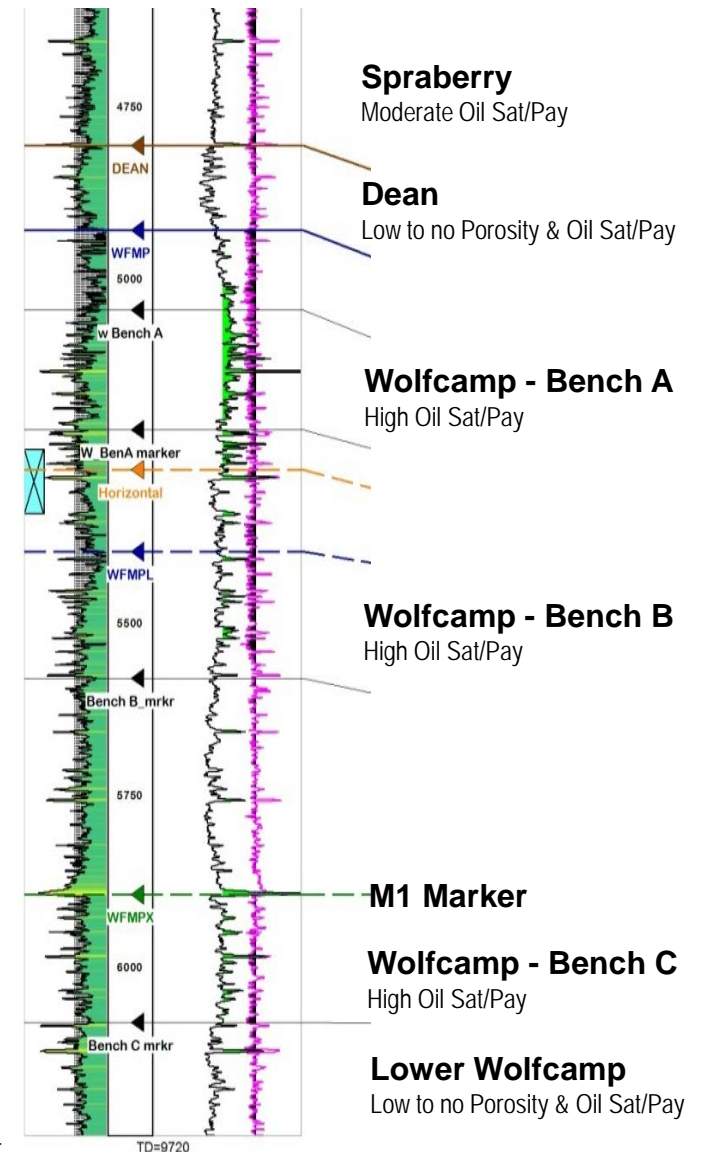


Permian Basin Wolfcamp Oil Asset - Location



Molopo's Wolfcamp Overview & Horizontal Targets

- 26,000 undeveloped acres (40 sections of land) in Midland Permian Basin; 100% WI*
- Two project areas:
 - Barnhart: 1,400 acres
 - Fiesta: 24,600 acres
- Successful development of the Wolfcamp play by other operators in close proximity to Molopo acreage
- Two analogs being used:
 - EOG University 40 (25 miles north of Fiesta, adjacent to Barnhart);
 - Approach Resources' University 45 (10 miles north)
- Initial target at Barnhart is Bench B
Initial target at Fiesta was Bench A; now also targeting Bench B



*Molopo's working interest (WI) on both projects reduces to 80% after total project payout

Substantial Oil Resource in Wolfcamp: 'Size of the Prize'

Table below shows estimates of drilling inventory and estimated ultimate recovery (EUR) from Molopo's 40 sections of Wolfcamp acreage, depending on well spacing and bench development:

Wolfcamp Development		450 Mboe/well*	
		4 wells/sec	6 wells/sec
Bench A	# Wells	160	240
	EUR (MMboe)	72	108
Bench A+B	# Wells	320	480
	EUR (MMboe)	144	216
Bench A+B+C	# Wells	480	720
	EUR (MMboe)	216	324

Single bench:
72 – 108 MMBoe & 160 - 240 locations

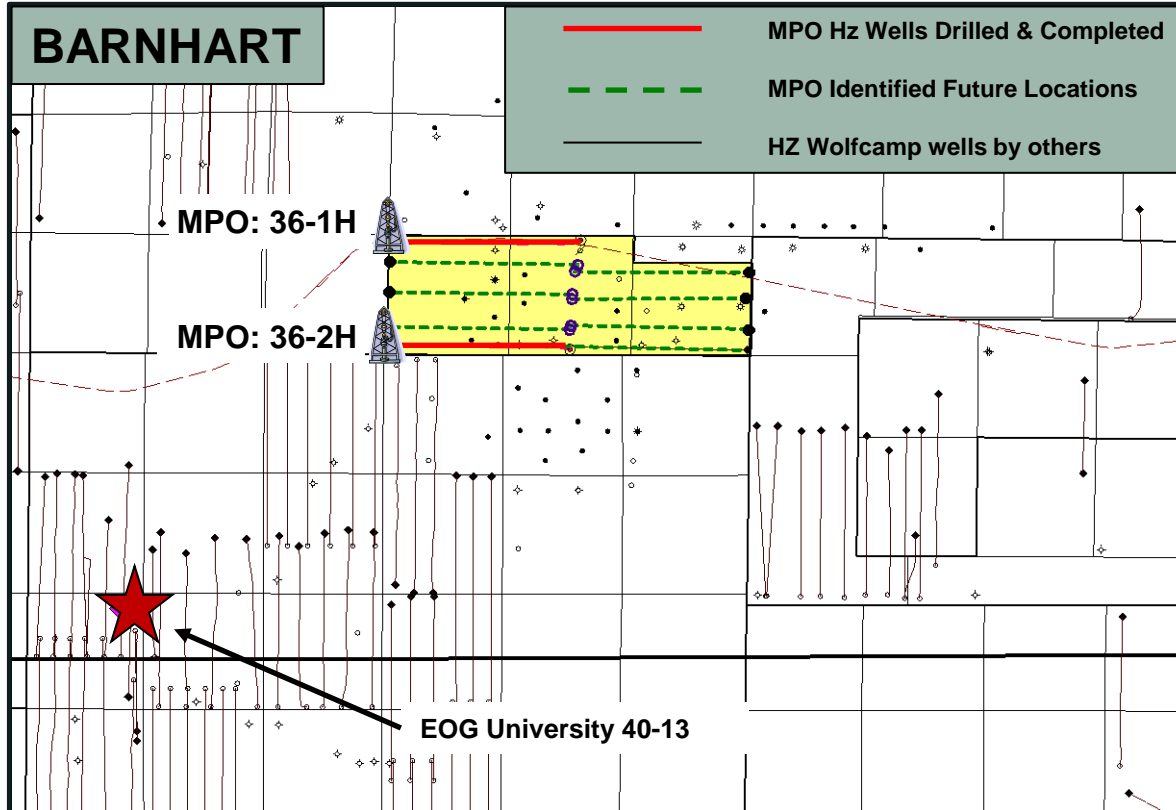
3 benches:
216 - 324 MMBoe & 480 - 720 locations

26,000 acres of Wolfcamp land owned by Molopo → ~5.8+ billion bbl of OOIP

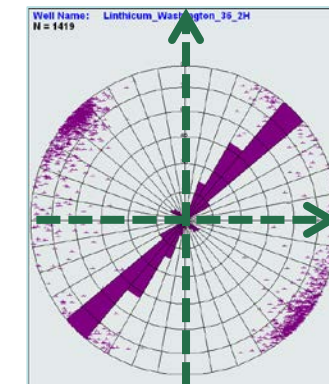


Barnhart Area – Developmental Play

- 1,400 acres; smaller of MPO's two areas in Texas
- Directly offset from University 40 Wolfcamp Project
- Offsetting operators currently developing Bench B; moving to test Bench A and Bench C
- Two wells drilled, completed, and on flow back / clean up: 36-2H Linthicum Washington, and 36-1H Linthicum Washington



Fracture Orientation: Barnhart

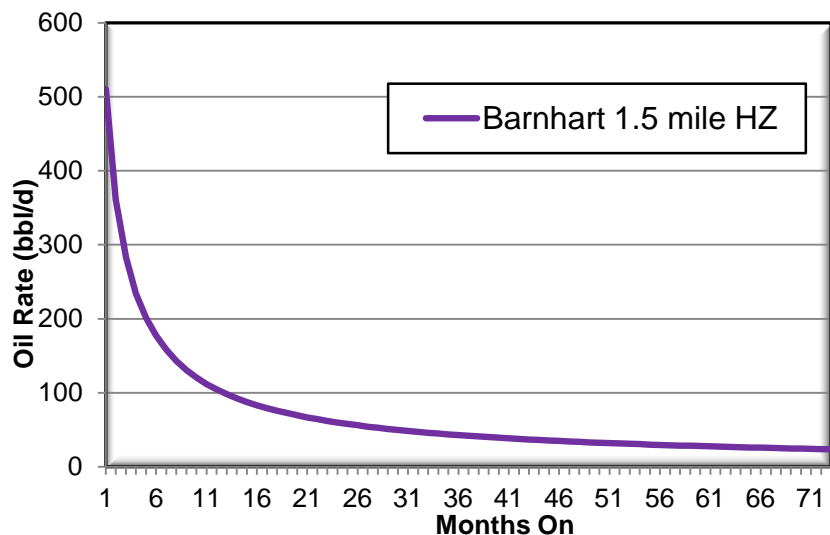


Fracture orientation at 45° angle, meaning both East - West or North - South drilling will intersect the fracture plane. MPO drills in Barnhart are East - West given the 1.5 mile horizontal length and the configuration of our land position.

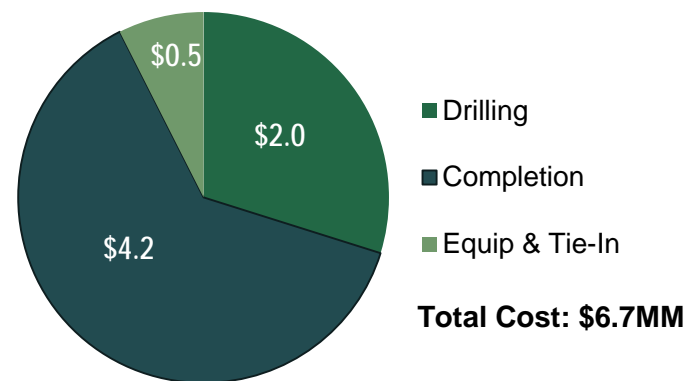


Barnhart Horizontal Type Curve + Well Economics*

Barnhart Type Curve Bench B



Barnhart Gross Drilling Costs (\$MM) 1.5 mile Horizontal



Barnhart Per Well Recoveries

Oil IP30 (bopd)	510
Oil EUR (MBBL)	255
NGL EUR (MBBL)	105
Gas EUR (MMCF)	541
Total (MBOE)	450

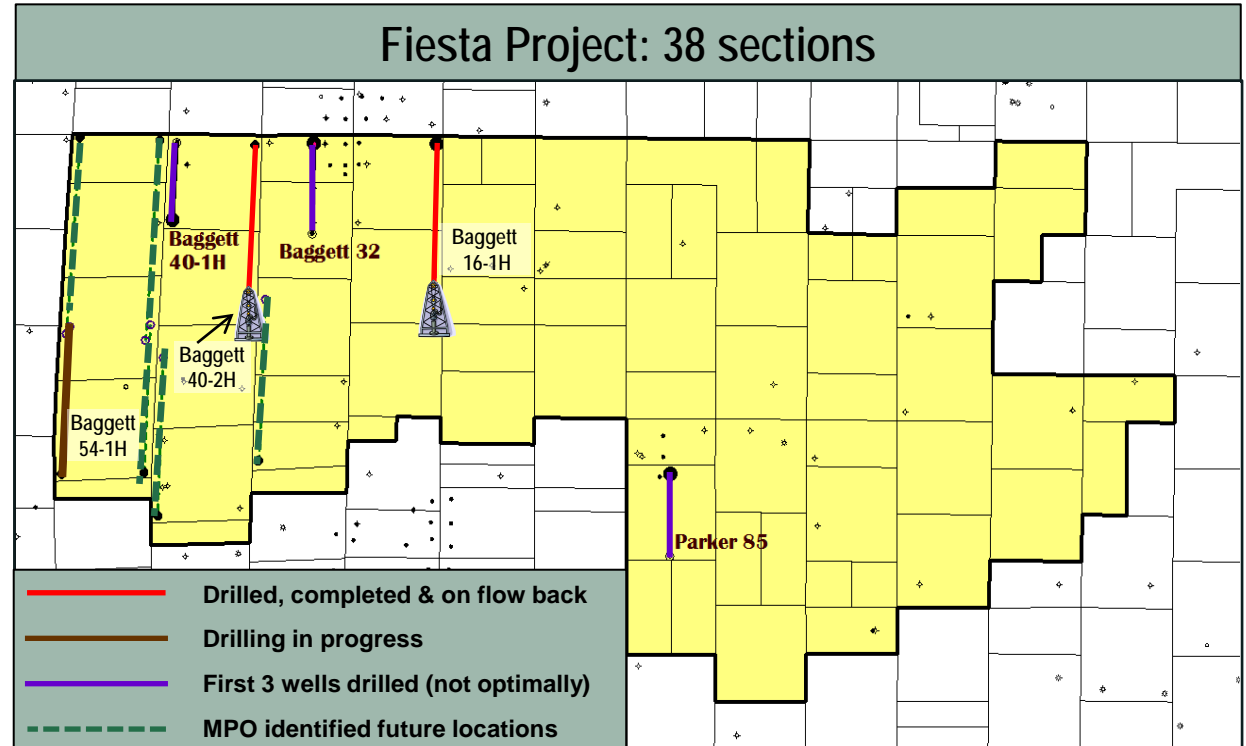
- F&D: \$16.63/boe
- Recycle Ratio: 2.5X
- ROR: 43% (BTAX) / 35% (ATAX)

*Pricing based on 4 consultant's average forecasts as of July 2012
For 2012: Oil = 89.85 US\$/bbl, Gas = 3.45 \$/mmbtu, NGL = 50% of Oil
For 2013: Oil = 94.32 US\$/bbl, Gas = 3.99 \$/mmbtu, NGL = 50% of Oil*



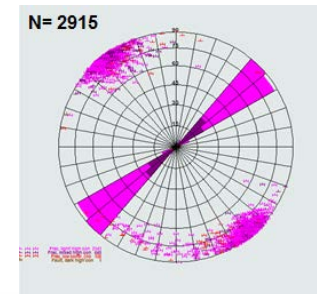
Fiesta Project – Molopo’s Key Property

- 24,600 acres (38 sections)
- First 3 wells drilled Bench A late 2011 / early 2012 proved Fiesta in oil window
 - But not drilled optimally; wells uneconomic
- Baggett 16-1H and Baggett 40-2H drilled Bench A ‘properly’
 - Longer radius (1.5 mile)
 - Drilled in Upper Bench A; better position in reservoir
 - Higher frac density (35-38 stages)
 - Completed with slickwater
- Baggett 54-1H currently drilling in Bench B



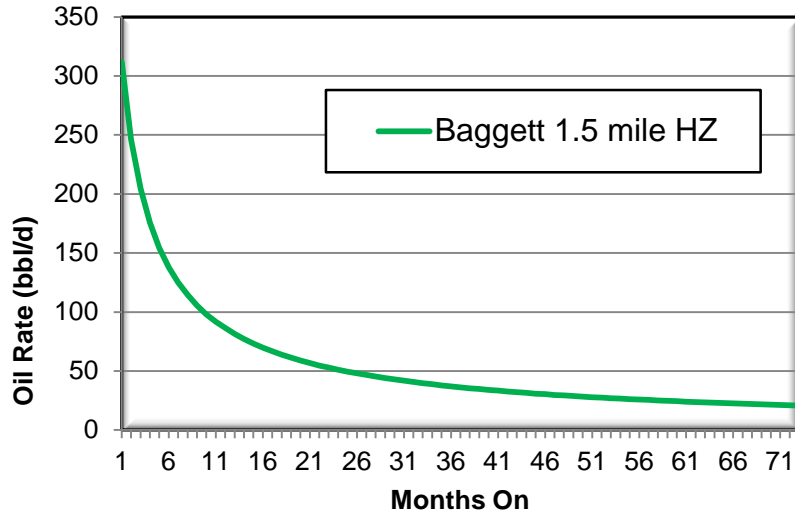
Fracture Density: Fiesta

Same 45° fracture orientation as Barnhart; but with equivalent or higher numbers of fractures.



Fiesta Horizontal Type Curve + Well Economics*

Fiesta Type Curve Bench A



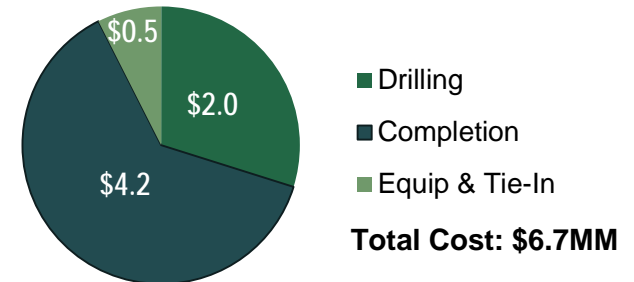
Fiesta Per Well Recoveries

Oil IP30 (bopd)	310
Oil EUR (MBBL)	203
NGL EUR (MBBL)	85
Gas EUR (MMCF)	430
Total EUR (MBOE)	360

Based on 1.5 mile Hz well

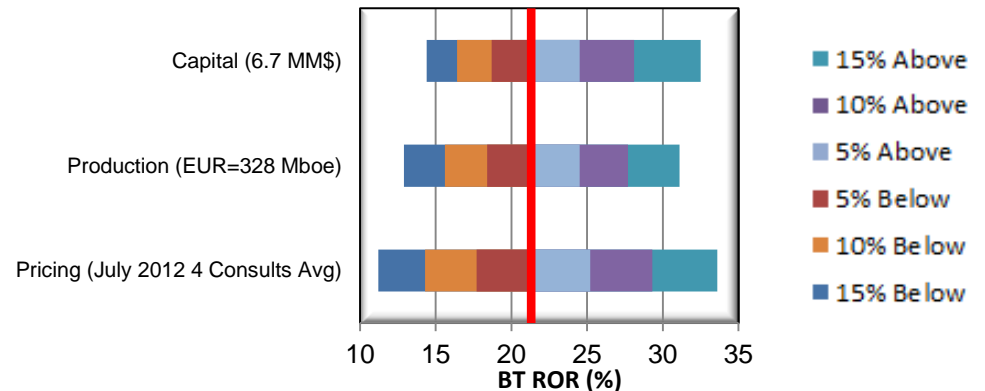
Fiesta Gross Drilling Costs (\$MM)

1.5 mile Horizontal



- F&D: \$20.43/boe
- Recycle Ratio: 2.0X
- ROR: 22% (BTAX) / 19% (ATAX)

Economic Sensitivities



*Current assumptions based on public data; type curves and economics updated as new data available



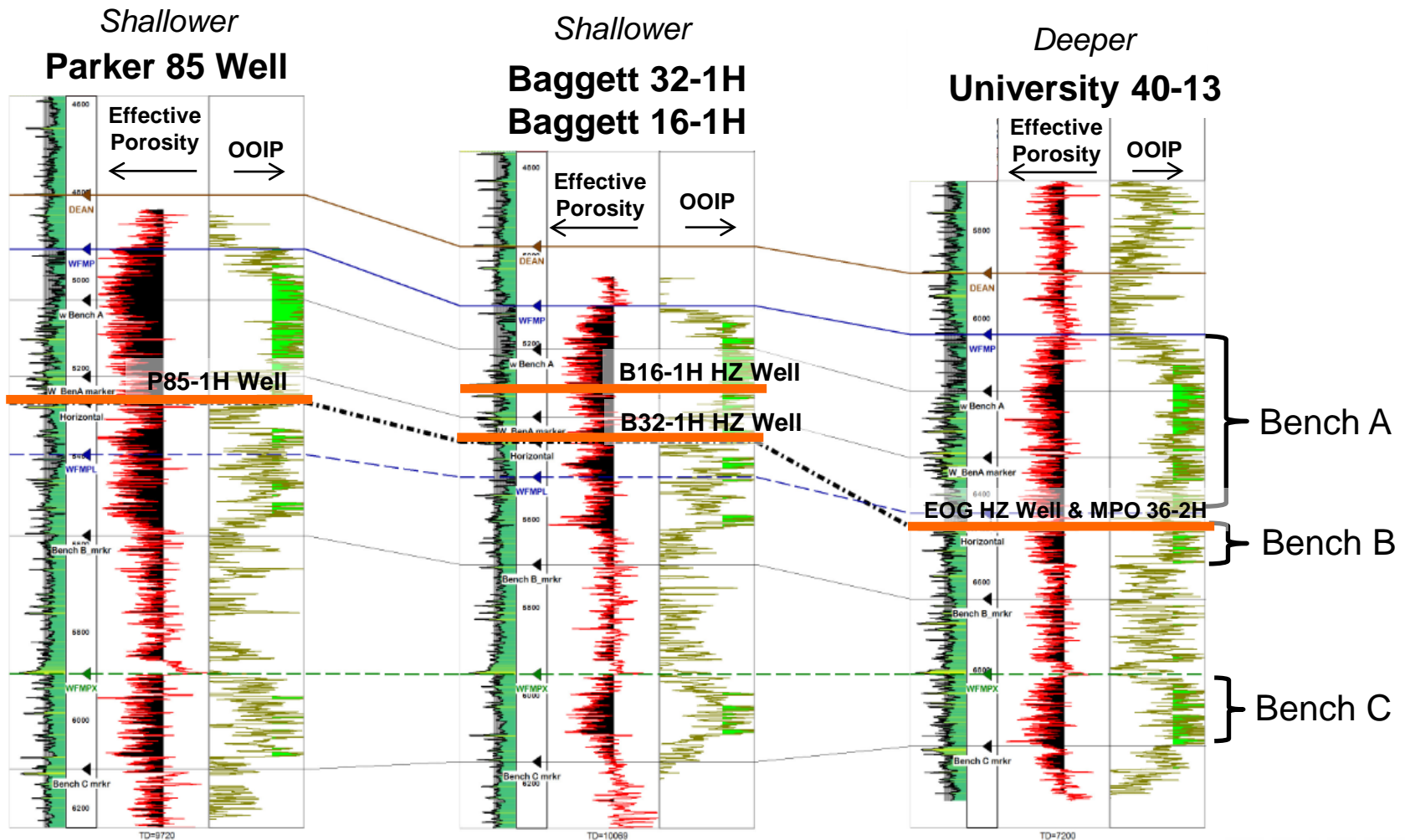
Fiesta Reservoir Characteristics

- Fiesta is 1000' shallower than University 40 but reservoir quality **equal to or better than** University 40
 - **Volumetrically:** Fiesta has an average of 349 BO / acre-ft vs. University 40 has 284 BO/acre-ft
 - **System permeability:** Double at Fiesta vs. University 40 for all Benches
 - **Average porosity:** 22% higher at Fiesta vs. University 40
- Fiesta type curves adjusted to account for lower pressure (less depth) but didn't adjust for better reservoir characteristics
- When drilling Baggett 16-1H, cores collected in Upper Bench A, Bench B and Bench C (270' in total)
 - All three Benches showed prospectivity
 - Results of the current wells drilled will determine future drilling locations and targets

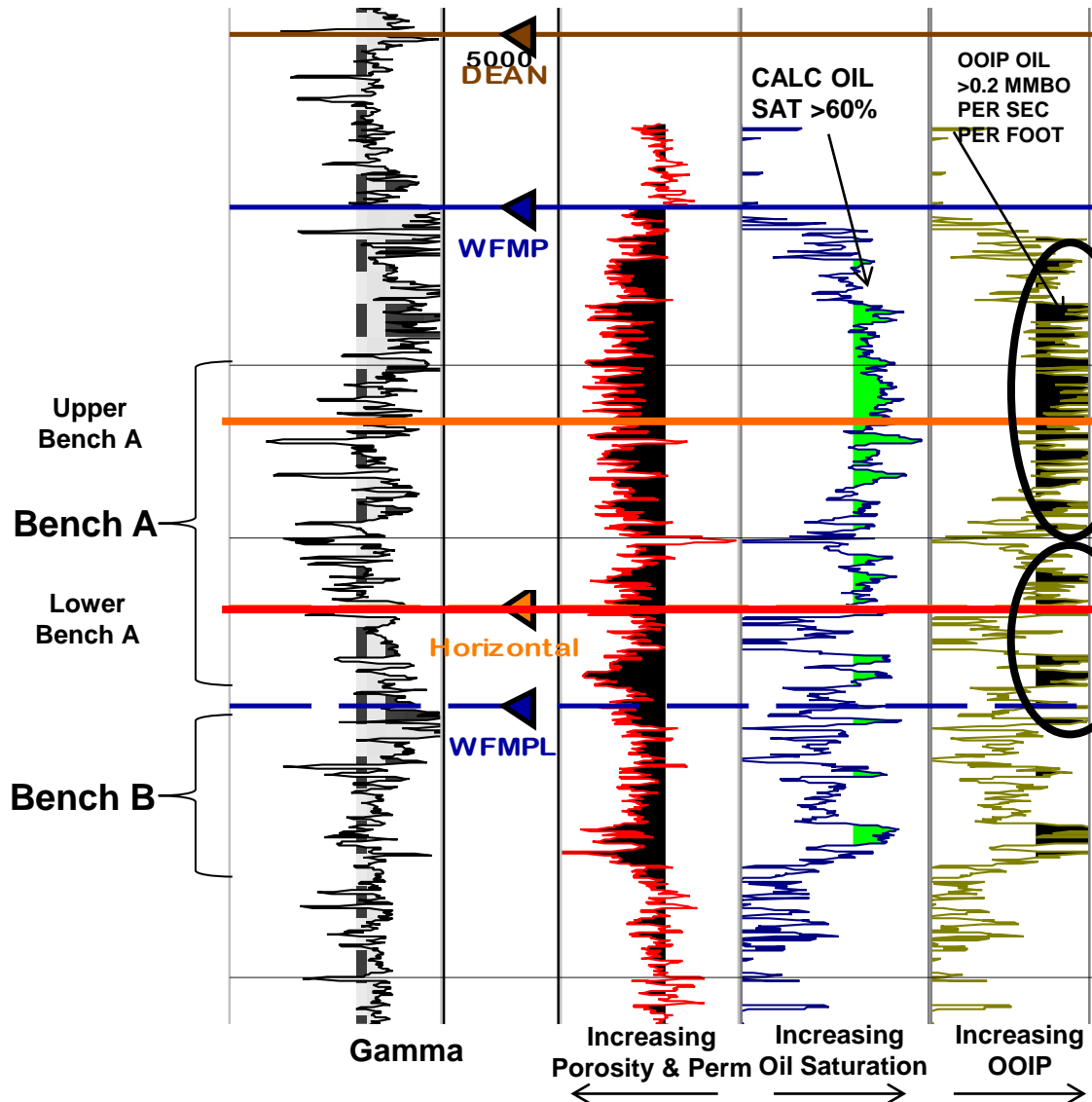


Reservoir Comparatives: Fiesta vs Barnhart

- Despite the Wolfcamp trend being shallower in Fiesta than in Barnhart, reservoir quality is equal if not better than in Barnhart comparing effective reservoir porosity and Original Oil in Place



Positioning Within the Bench Makes a Difference



Upper Bench A has increased Porosity, Permeability, Oil In Place and Movable Oil vs Lower Bench A



Baggett 16-1H

Baggett 40, 32 & Parker 85

Due to the change in placement within the Bench, Baggett 16-1H initial rates and ultimate recoveries are expected to increase 2.5X to 5X relative to Baggett 32, 40-1H & Parker 85 wells



Texas Drilling Status

Barnhart:

- **36-2H Linthicum Washington** – Initial results announced Aug 30, 2012 and met expectations. Well continues to clean up following minor operational issues; test rates of 300 boepd (Oct 1 '12)
- **36-2H Linthicum Washington** – Drilled with a lateral of ~7,500' and successfully completed. On flow back; well results with stabilized rates anticipated in November

Fiesta:

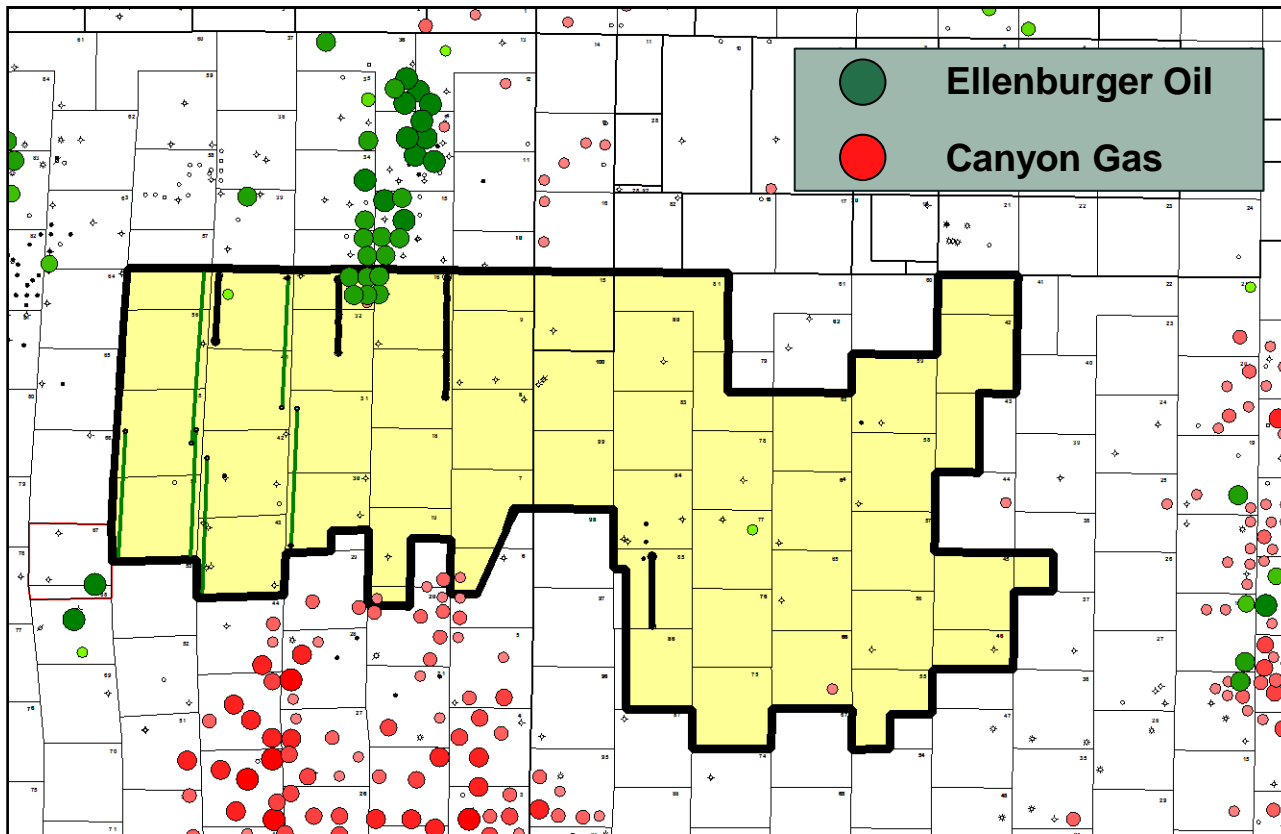
- **Baggett 16-1H** – First long lateral well drilled in Fiesta; targeting Bench A. On flow back and continuing to clean up; producing steady, high rates of load fluid; oil shows commenced Sept 30
- **Baggett 40-2H** – Drilled to lateral length of ~8000', successfully completed early October. Initial fluid flow back expected mid-October and well results anticipated late November.
- **Baggett 54-1H** – Currently drilling; first Fiesta well to target Bench B. Drilling expected to conclude mid-October, completion expected early November. Flow back results anticipated in December.

Go Forward:

- Future drilling locations and targets will be determined based on results of the current 5 wells drilled



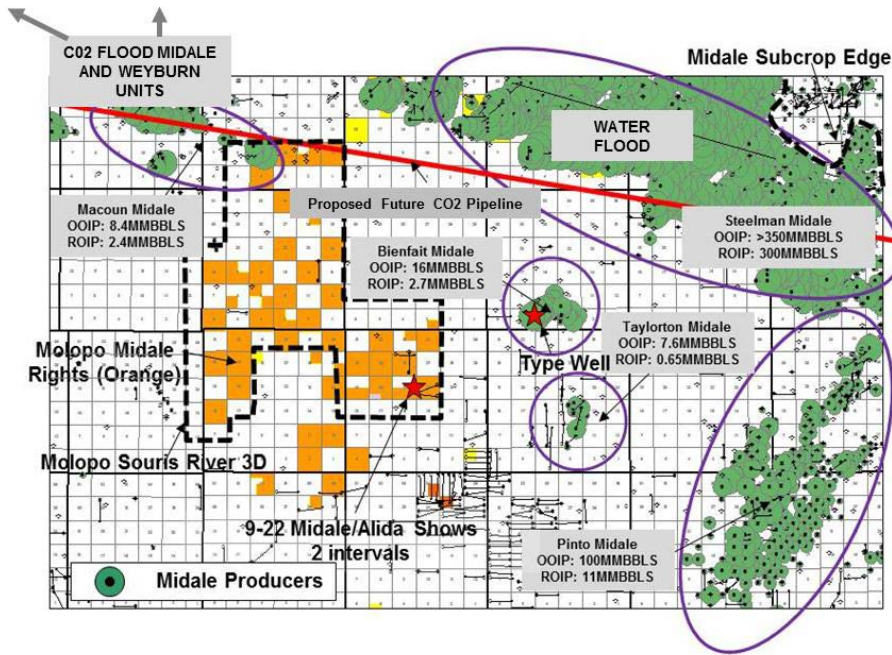
Future Potential in Fiesta: Deeper Secondary Targets



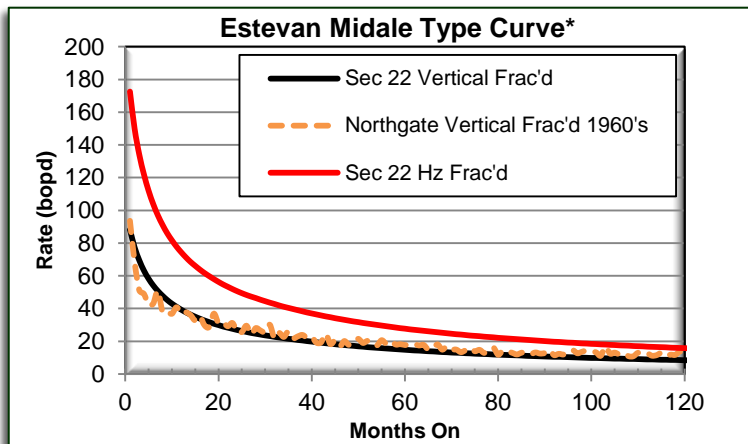
- **ELLENBURGER**
 - Depth – 10,500'
 - Vertical development
 - Vertical well EUR ranges from 10,000 to 155,000 bbl of oil
- **CANYON GAS (Liquids Rich)**
 - Depth – 8,000 ft
 - Vertical development
 - Vertical well EUR range from 250 MMcf to 1300 MMcf
- Future potential once Wolfcamp development more mature



Saskatchewan: Midale Potential (Unrisked)



- Saskatchewan production ~124 bopd (Aug '12 month average)
- Future development potential in Midale; most prolific interval in Saskatchewan
- Molopo controls considerable land with Midale rights around section 22
- Optimal development strategy for this area currently being assessed by technical team



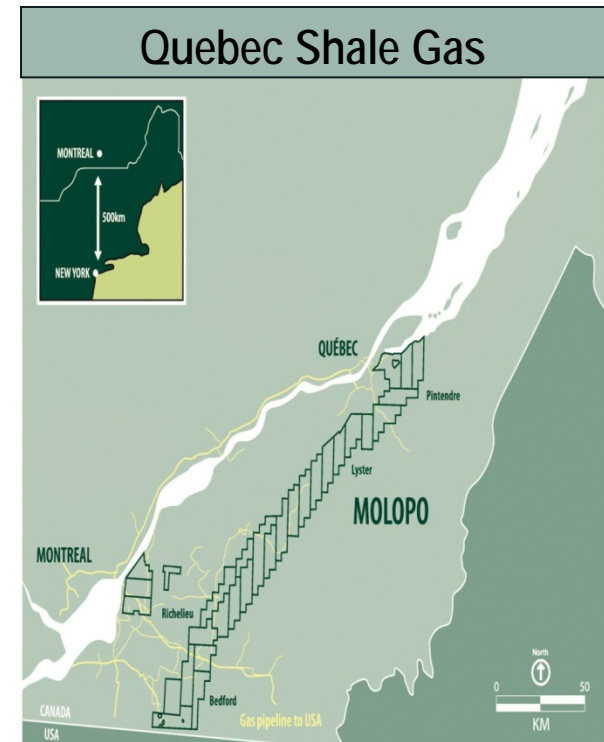
Indicative Economics	HZ DCT	
Gross Drill Costs (\$'000)	900	
Gross Completion Costs (\$'000)	750	
Gross Equip & Tie-in Costs (\$'000)	500	
Total Gross Costs (\$'000)	2,150	
IP (bopd)	173	
EUR (MBBL)	240	
F&D (\$/boe)	9.24	
Recycle Ratio	6.3	
	BTAX	ATAX
ROR (%)	58	48

Other Non-Core Assets



- Two South African Deep Biogenic Gas projects
 - Virginia: ~ 750,000 gross acres 80% interest¹
 - Evander: ~ 150,000 gross acres 100% interest
- First proved onshore gas reserves in South Africa; Production Right granted Sept 21 '12
- Gas sales agreement for initial volume 0.6TJ/d, expandable to 8 TJ/d: under re-negotiation
- Tie-ins to commence since Production Right awarded

¹ After BEE and Government participation



- 1.4 million acres in the Quebec Lowlands (100% WI)
- Moratorium on fracturing in Quebec
- No cost to Molopo during moratorium; tenure clock and leasehold payments 'frozen'
- Represents future 'option' on natural gas



Summary

- **Undervalued with significant cash and growth-oriented assets**
 - \$166MM market cap = value disconnect
- **Well capitalized**
 - Forecast calendar year end 2012 cash balances of ~\$66 million* and no debt
- **Oil weighted, resource play assets**
 - Focused in Wolfcamp and offering multi-year growth potential
- **Significant near-term catalysts ahead**
 - Well results from 5 wells drilled and 2013 capital budget

*includes proceeds from sale of Queensland





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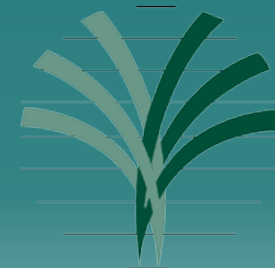
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Appendices



Fiesta Wolfcamp: Key Metrics Indicate Outstanding Potential

	Well Interval	Sub-Interval	Gross Interval	Net Pay	Average Porosity	Porosity X Pay Feet	SW	Avg System PERM	Cum System PERM	TOC	OOIP	OOIP	ROIP @ 5%	ROIP @ 5%
			(ft)	(ft)	(avg dec %)	(dec%.ft)	(dec %)	(mD/ft)	(mD ft)	%	MMBO/sec	BO/Acft	MMBO/sec	BO/Acft
Fiesta														
Wolfcamp ~1250' Gross Thickness	Wolfcamp A	Upper A Shale	118.0	102.0	0.088	9.0	0.75	0.008	0.082	4.1	23.0	345.1	1.1	17.3
		**Upper Bench A	157.5	150.5	0.087	13.3	0.32	0.013	0.196	3.0	38.1	384.1	1.9	19.2
		Lower Bench A	157.0	121.0	0.084	10.3	0.48	0.007	0.089	2.8	27.6	346.3	1.4	17.3
	**Bench B		193.5	120.5	0.082	10.3	0.58	0.006	0.084	2.8	28.1	359.3	1.4	18.0
	**Bench C		188.0	138.5	0.074	10.4	0.49	0.006	0.082	2.6	28.3	312.2	1.4	15.6
University 40														
Wolfcamp ~1170' Gross Thickness	Wolfcamp A	Upper A Shale	128.0	84.0	0.063	5.3	0.55	0.0024	0.020	3.7	14.9	272.8	0.7	13.6
		**Upper Bench A	153.0	145.0	0.069	10.0	0.32	0.0072	0.104	2.4	28.4	300.8	1.4	15.0
		Lower Bench A	125.0	99.0	0.069	6.8	0.42	0.0054	0.054	2.3	19.5	303.1	1.0	15.2
	**Bench B		196.0	114.0	0.061	7.0	0.59	0.0028	0.032	2.5	20.5	276.3	1.0	13.8
	**Bench C		165.0	134.0	0.06	8.3	0.43	0.0046	0.061	2.0	23.3	268.0	1.2	13.4

** HZ Targets

- Volumetrically Fiesta has an average of 349 BO / acre-ft, whereas University 40 has 284 BO/acre-ft
- System permeability is double at Fiesta versus University 40 for all benches
- Average porosity is 22% higher at Fiesta versus University 40

26,000 acres of Wolfcamp land owned by Molopo → ~5.8+ billion barrels of OOIP



Fiesta Wolfcamp Rock Characteristics: Favourable

Total Organic Carbon measurements positive

- TOC work from Molopo Baggett 16, Baggett 32 and Parker 85 shows good oil content

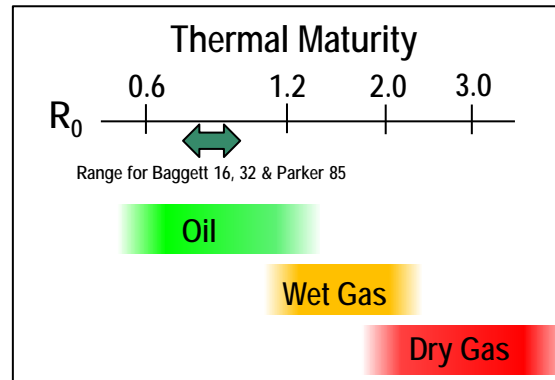
Molopo wells TOC: 1.2% - 7.2%
Average: 2.9%



Oil content	Poor	Fair	Good-Excellent
TOC (%)	<1	1-2	2-10

Wolfcamp Interval Oil Geological Metrics from Full Diameter and Sidewall Core:
Baggett 32 and Parker 85 wells

- Gross Thickness: 1100 - 1300ft
- T_{max} range: 435-452, 440 Average
- TOC: 1.2-7.2%, 2.9 % Average
- S1/TOC: 50 to 150, 88 Average
- Calc R_0 range: 0.8-0.95, 0.88 Average
- Kerogen Type: 2 and 2/3
- Oil Saturation: 25 - 40%
- Matrix Porosity: 6-10%
- Matrix Perm/ft: 150 - 1300 nD
- System Perm/ft: 600,000 - 4,500,000 nD
- Average Clay Content: ~23%
- Average Carbonate and Silica Content: ~65%



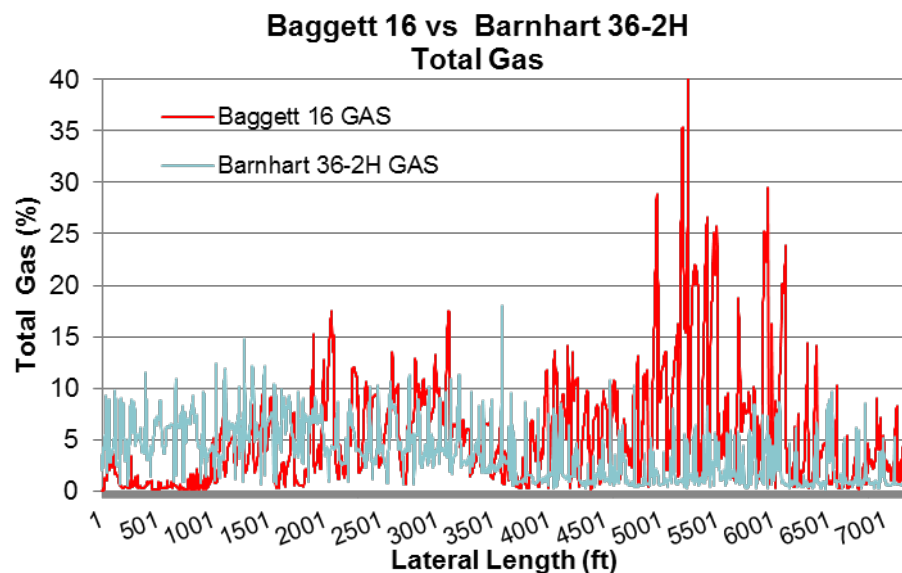
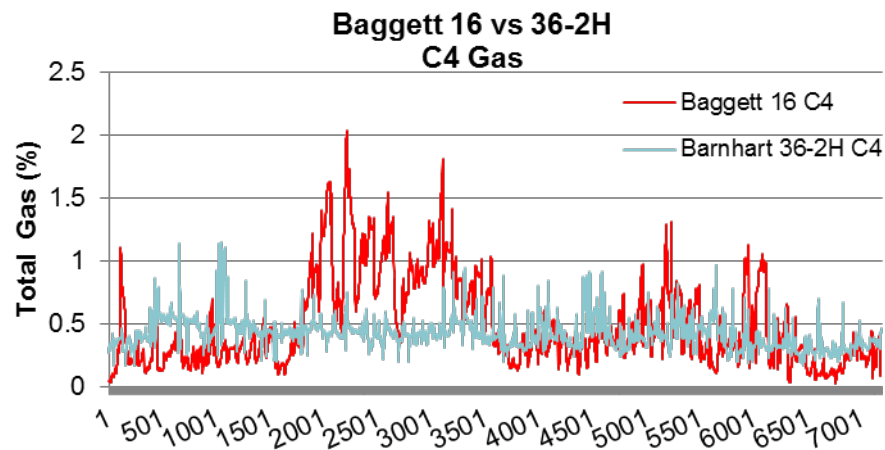
Core from Baggett 32



Molopo parameters compare or exceed industry Permian Basin parameters, particularly in porosity, permeability and original oil in place



Molopo Barnhart vs Fiesta Wolfcamp Hydrocarbon Shows



Barnhart 36-2H Bench B and Fiesta Baggett 16-1H Bench A: C4+ and Total Gas logs

- C1-C4+ and Total Gas measurements were recorded over entire lateral length (7,400' Hz) in both wells (Bench A and B)
- Baggett 16-1H had consistently equal to higher counts of C4+ throughout well
- Total Gas measurements were consistently higher in Baggett 16-1H
- Both wells had image logs run in them and Baggett 16-1H has a higher frequency of fractures throughout as compared to Barnhart 36-2H



Glossary and Key Economic Assumptions

boe – Barrels of Oil Equivalent

The calculation of barrels of oil equivalent (boe) is calculated at a conversion rate of six thousand cubic feet (mcf) of natural gas for one barrel of oil and is based on an energy equivalence conversion method. A boe conversion ratio of 6 mcf:1 bbl is based on an energy equivalence conversion method primarily applicable at the burner tip and does not represent a value equivalence at the wellhead.

Analog – An example used for comparison

boepd – Barrels of Oil Equivalent per day

EUR – Estimated Ultimate Recovery

DCT – Drill, complete & tie in

F&D – Finding and Development costs

HZ – Horizontal

IP – Initial Production rate

M – Thousand

MM - Million

MMBtu – Millions of British Thermal Units

Mcf – Thousand Cubic Feet / MMcf – Million Cubic Feet

NGLs – Natural Gas Liquids

nD – nanoDarcy, a unit of permeability

OOIP – Original Oil in Place

TOC – Total Organic Carbon

TJ - Terrajoule

TVD – Total Vertical Depth

WI – Working Interest

Key Economic Assumptions

Exchange rates: 0.97 US\$/A\$ and 1 US\$/C\$

Forecast Crude oil and Gas prices are based on an average of four analysts' July 2012 forecasts: GLJ, Sproule, AJM, McDaniel

