



MOLOPO ENERGY LIMITED

2012 Annual General Meeting

November 22, 2012



MOLOPO
ENERGY LIMITED

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Chairman's Address

Greg Lewin
Chairman & Non-Executive Director



Molopo Energy Board of Directors

Greg Lewin, Chairman & Non-Executive Director

Max Beck, Non-Executive Director

Garry Cameron, Non-Executive Director

Glenn Ross, Alternate Director to Max Beck

Brian Straub, Non-Executive Director

Don Engle, Non-Executive Director

Tim Granger, CEO and Managing Director

Jessica Huberman, General Counsel & Company Secretary



Chairman's Address

- Focused Growth - North American oil strategy
 - Achieved all strategic goals outlined last year
 - Highly experienced North American based management team in place
 - Queensland asset sale completed post financial year end
 - Focussing capex on plays which demonstrate high value over short–medium term
- Transitional year – cash conversion into reserves and production; greater value
 - FY12 financial results reflect accounting impact of repositioning assets and operations
 - Increased North American production; focussed on oil
 - FY end 2012 cash balance: \$52 million
 - Stronger forecast 2012 calendar year end cash balance (~\$72 million)
- Expected that transition to production and cash flow will enable market to better recognise our value
 - North American listing could represent opportunity to expand shareholder base
- Shareholder support of our execution is appreciated

Thank you



Management Presentation

Tim Granger
Chief Executive Officer & Managing Director



Molopo Energy Limited – Who We Are

- **Oil weighted asset base focused in North America**
 - Permian Basin in Texas; Wolfcamp shale oil play
 - Saskatchewan, Canada; Midale potential development
 - Non-core assets in South Africa and Quebec, Canada
- **Very well capitalized**
 - Forecast calendar year end 2012 cash balances of ~\$72MM and no debt
 - Financial flexibility to grow organically with cash on hand and cash flow
- **Strong oil & gas management team now in place**
 - Significant technical oil & gas industry experience, complemented by public markets expertise
 - Full team now based in North America – aligned with our major assets



Molopo Energy – Canadian based leadership team in place

Tim Granger, Chief Executive Officer and Managing Director

Paul Belliveau, Chief Financial Officer

Shannon Ouellette, Chief Operating Officer

Kelly McDonald, VP Exploration

Dave Horn, VP Business Development & Land

Cindy Gray, VP Capital Markets



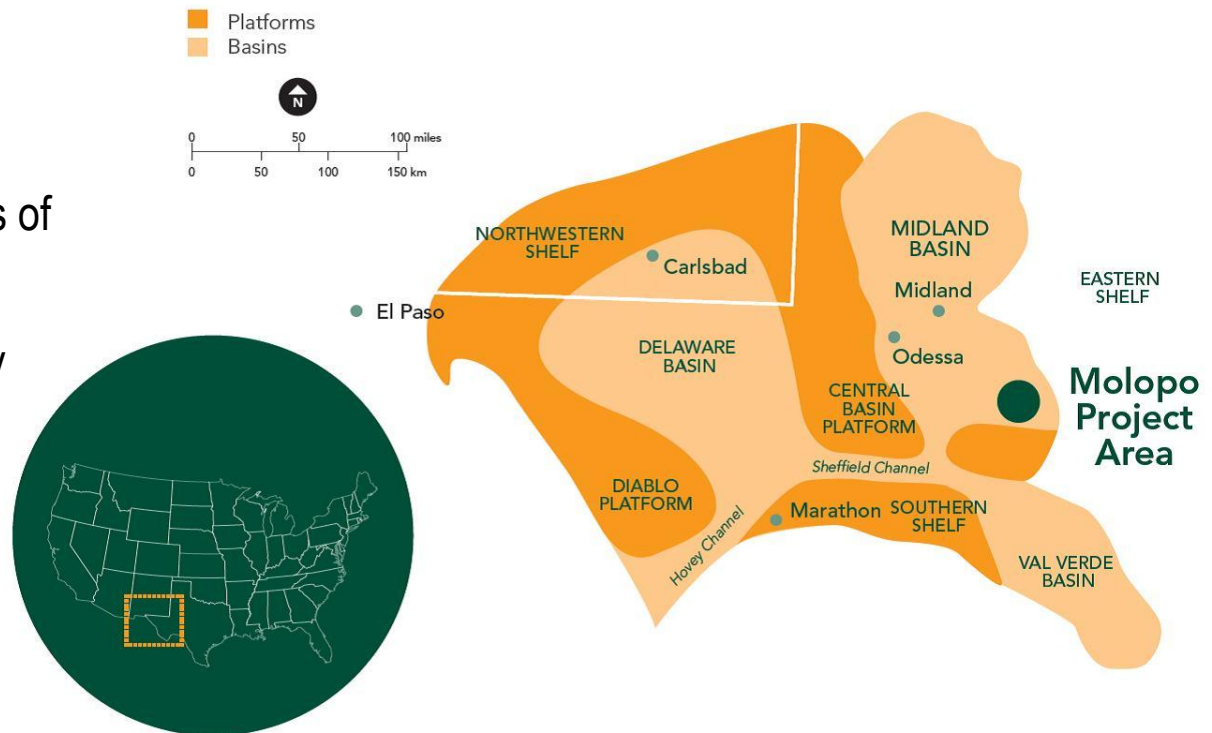
2012 Operational Achievements

- Focus on Wolfcamp
 - Proved Fiesta in oil window
 - Booked first reserves in Texas
 - 3D seismic survey, processing & interpretation on East half of Fiesta
- Invest capital based on results
 - Drilled 9 Wolfcamp wells in CY 2011 / CY 2012
 - Increased capex from \$36MM in April to \$98MM (revised to \$85MM in Oct.)
 - Reduced investment in Saskatchewan in favor of larger scale Wolfcamp play
 - Production growth in Texas
- Evaluate M&A opportunities
 - Seek opportunities to complement core strategy
 - Divest non-core assets to achieve maximum benefit



Wolfcamp Play - What Makes It Exciting ?

- Exploitation of shale oil and gas is booming and transforming North American energy supply
- Wolfcamp is a massive shale oil play offering 1,000-1,200 feet of source rock with permeability and porosity characteristics to 'trap' oil
 - Oil is a favored commodity
- Unusual to have a resource of this size on-shore
- Play in its infancy with only ~2 years of development
- Extensive drilling inventory for many years; long-term 'running room'
- Provides a focused asset base
 - Easier to understand and value



Potential 'Size of the Prize' is Substantial

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 whether a single bench or all three benches are developed:

Wolfcamp Development		Estimated Ultimate Recovery: 450 Mboe per 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

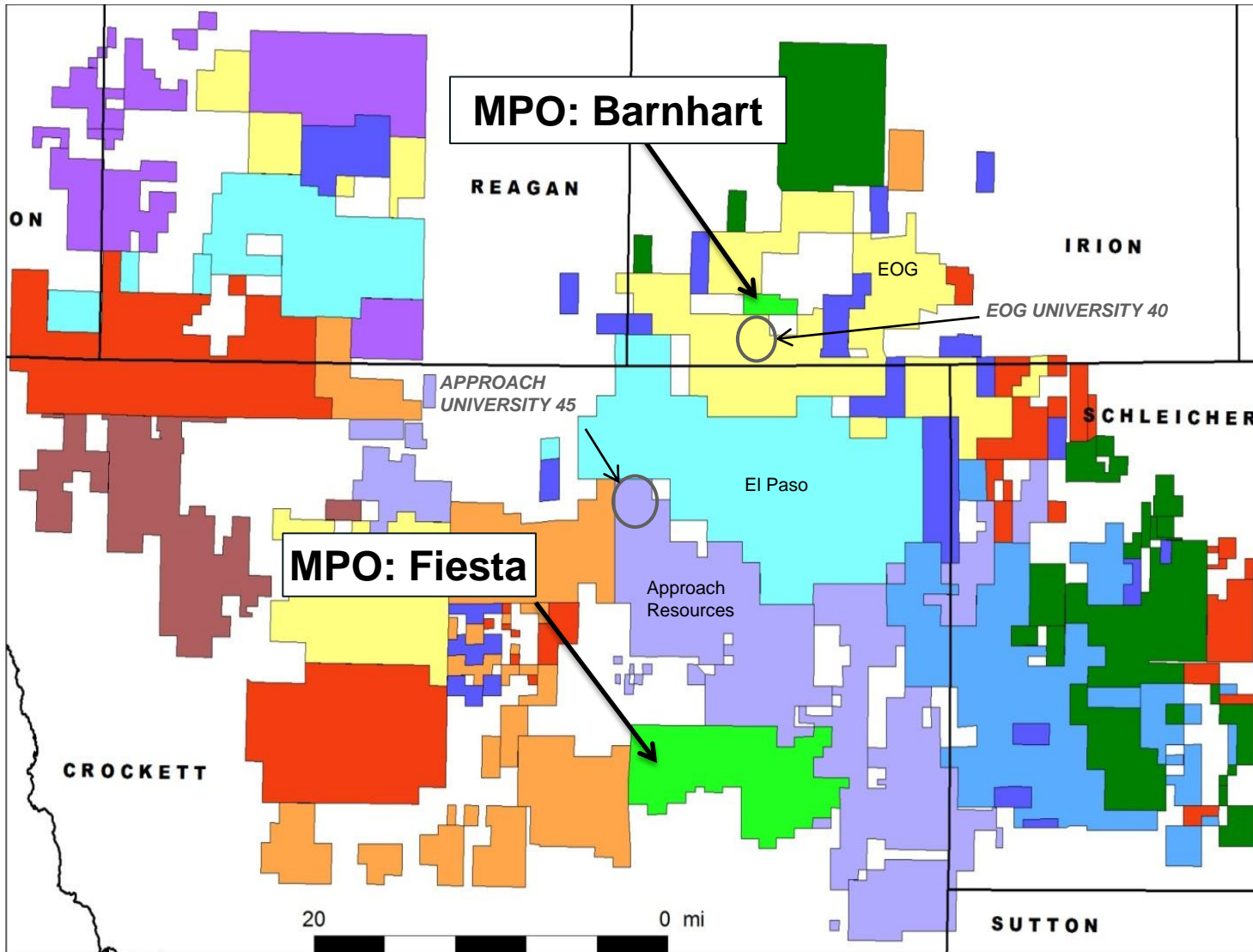
Single bench:
160 - 240 locations & 72 - 108 MMBoe

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

The above equates to a significant potential recoverable resource – an attractive feature for investors wanting to invest in companies whose assets offer size, scale and 'repeatability'



Molopo's Location in the Wolfcamp



Texas, USA



20 miles

Legend – Company

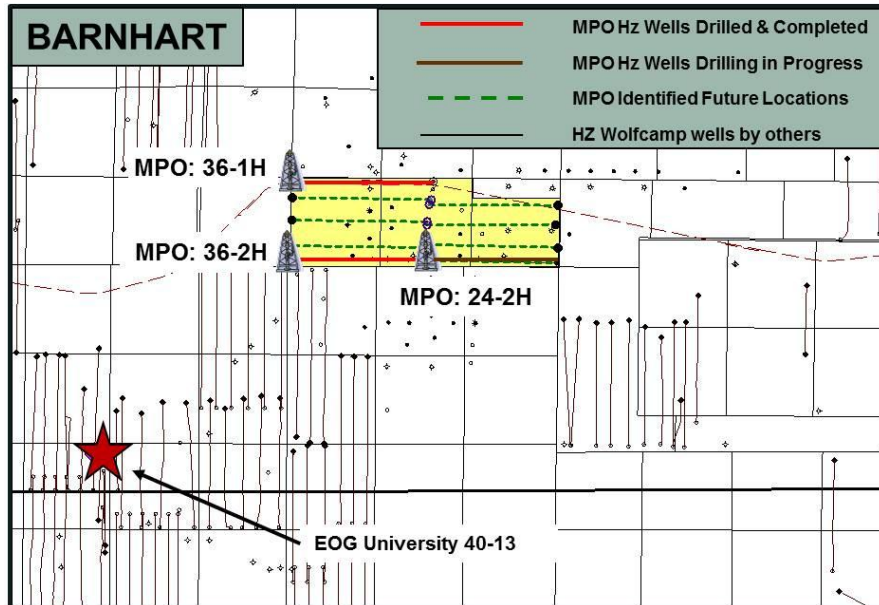
- Molopo
- Pioneer
- Petrohawk/BHP
- Highmount
- Forest
- EOG
- El Paso
- Devon
- Conocco
- Apache
- Approach



Molopo's Exposure to the Wolfcamp - Barnhart & Fiesta

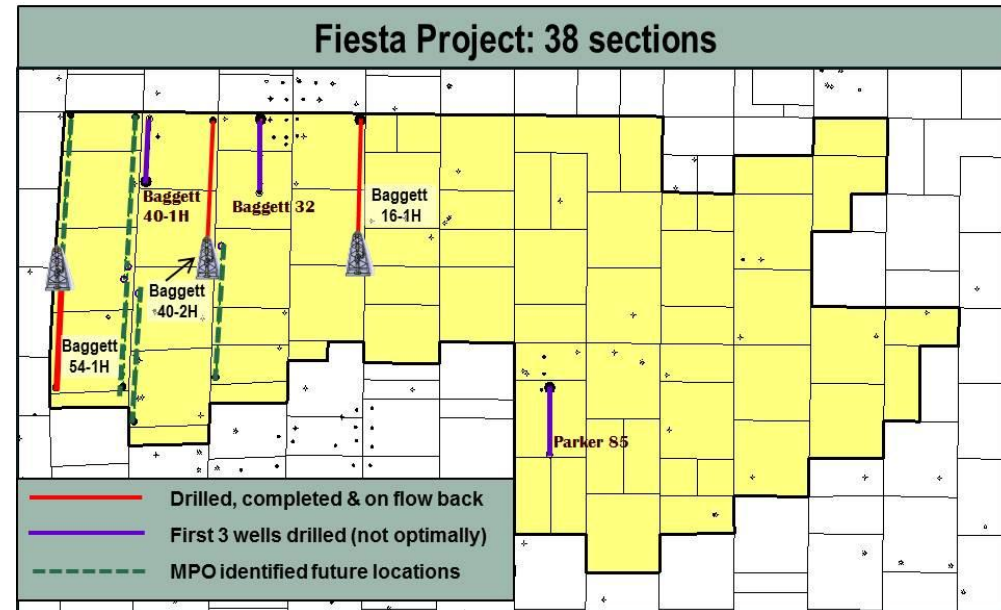
- 26,000 undeveloped acres (40 sections of land) in the Wolfcamp with 100% Working Interest*
- ~5.8+ billion barrels of estimated OOIP
- Core analysis indicates prospectivity across all three Benches – A, B & C

Barnhart – 1,400 acres



- 2 wells drilled and flowing
- 1 additional well currently being drilled (24-2H)
- All wells targeting Bench B

Fiesta – 24,600 acres



- 3 wells drilled initially to prove Fiesta in oil window
- 2 additional wells drilled in Bench A; continuing to stabilize
- 1 well in Bench B (54-1H); currently on flow back

Barnhart & Fiesta Summary

Barnhart

- 2 wells drilled into Bench B; both achieved strong 24 hour peak rates
- Performing lower than original type curve, but adequate rates of return achieved
- Development moving forward in Barnhart with 3rd well spudded on Nov 8, 2012 (Linthicum Washington 24-2H in Bench B)

Fiesta

- 3 wells drilled in early CY12 in Bench A to prove Fiesta in the oil window
- 2 wells drilled into Bench A in latter half of CY12 showed modest peak rates
 - Bench A shallower; type curves originally adjusted for depth / pressure
 - Initial results from Bench A mixed: sustained development in the Bench dependent on combination of stabilized rates, cost structure and commodity prices
 - Wells continue to fluctuate while nearing stabilization
- First Bench B well drilled & completed in Fiesta (currently on flow back)
 - Results from Bench B along with stabilized production from Bench A wells will be key for establishing budget for 2013 and confirming production levels through CY12



Other Assets - Future Potential Value with Limited Cost

Saskatchewan

- Molopo controls considerable land with Midale rights; Midale is the most prolific interval in Saskatchewan
- Interesting asset, but relative to Wolfcamp, scale and scope much smaller
- Optimal development strategy for this area currently being assessed by technical team

South Africa:

- Two South African Deep Biogenic Gas projects
- First proved onshore gas reserves in South Africa; Production Right granted Sept '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

Quebec:

- 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 for Molopo shareholders



2013 Strategic Goals

- Continued focus on development of Wolfcamp acreage
- 2013 capital expenditure program will target drilling in Texas
 - Well data critical to making sound business decisions regarding capital
 - Results from 54-1H, and understanding of ultimate performance of other wells will drive 2013 budget for Fiesta
 - Once established and Board approved, will communicate budget to market
- Secure Reserves Based Lending (RBL) facility to add further flexibility
- M&A as appropriate to support strategic focus
 - Further land acquisitions in Permian / opportunities in similar North American basins
 - Continued divestment of non-core assets
- Grow production, reserves and cash flow per share
 - Easier for market to value cash flow and production than exploration
- Decision on North American stock exchange listing to complement ASX listing
 - Provide new global investors (ie those with North American only portfolios) the ability to own Molopo



Summary

- Significant cash and sizeable growth-oriented assets
- Well capitalised
 - Forecast calendar year end 2012 cash balance of ~\$72 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
 - Confirmation of 2012 exit rate
 - Budget 2013
 - Potential North American listing
- Management & Board with oil & gas execution expertise; focus on delivering long term value for shareholders
- Thank you for your continued interest in and support of Molopo





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