

ASX MARKET ANNOUNCEMENT

Tuesday, 23 January 2018

ASX Codes : KBC; KBCPA

LETTER OF CONCERNS TO MOLOPO ENERGY LIMITED SHAREHOLDERS

Keybridge Capital Limited (**Keybridge**) is one of the largest shareholders in Molopo Energy Limited (ASX:MPO) (**Molopo**), holding nearly 20% of the issued capital of Molopo.

Over recent months, Keybridge has spent considerable time investigating Molopo's investment in BVI registered company Orient FRC Ltd (**Orient**) which MPO first announced to ASX on 22 August 2017¹ and which was the subject of an update announcement on 11 December 2017² (the **Orient Transaction**).

Under the Orient Transaction, Molopo has disbursed a total of US\$11.5 million to acquire 50% of Orient from an individual named Gil Feiler (US\$7 million) and to meet initial drilling costs (US\$4.5 million out of a total 'Summary Budget' of US\$20 million).

As part of that investigation, Keybridge has reviewed in detail both of the ASX announcements made by Molopo in relation to the Orient Transaction and also publicly available information in relation to Orient, Orient's counterparty Kerogen Florida Energy Company LP, the holder of the sub-surface oil and gas rights Consolidated-Tomoka Land Co. (NYSE:CTO) and the area in Florida where Orient is proposing to drill for oil and gas.

Keybridge has identified a number of considerable concerns and unanswered questions for the Molopo Board about the Orient Transaction and Molopo's public disclosures on ASX in relation to the same.

These are outlined in Keybridge's Letter to Molopo shareholders (dated 22 January 2018), a copy of which will be uploaded to Keybridge's website shortly: www.keybridge.com.au

Keybridge's investigations are continuing and Keybridge will continue to update shareholders as more information is to hand.

FOR FURTHER INFORMATION:

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ABOUT [KEYBRIDGE CAPITAL LIMITED](#) (ASX: [KBC](#))

Keybridge is an investment and financial services group with a diversified portfolio of listed and unlisted investments/loan assets including in the solar sector (Spain), private equity (US), life insurance (New Zealand), property and funds management sectors and strategic holdings in HHY Fund (ASX:[HHY](#)), Molopo Energy Limited (ASX:[MPO](#)) and Metgasco Limited (ASX: [MEL](#)). Keybridge is also the Investment Manager of HHY.

1 Refer MPO ASX Announcement dated [22 August 2017: Molopo Acquires Interest in US Oil and Gas Project](#)

2 Refer MPO ASX Announcement dated [11 December 2017: Update on Orient FRC Ltd Investment](#)