



MOLOPO ENERGY LIMITED

ABN 79 003 152 154

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS
IN THE UNITED STATES

NOT FOR DISTRIBUTION TO CANADIAN NEWS WIRE SERVICES OR DISSEMINATION IN CANADA

ASX ANNOUNCEMENT / MEDIA RELEASE

29 November 2010

MOLOPO TO CONDUCT INITIAL PUBLIC OFFERING OF CANADIAN OIL ASSETS IN NORTH AMERICA

Molopo announces that it intends to conduct an initial public offering (“IPO”) of its wholly-owned subsidiary, Molopo Energy Canada Ltd. (“Molopo Canada”) in North America. At the time of the IPO, Molopo Canada will hold all of Molopo’s interests in the Spearfish and Bakken tight oil projects. The Quebec shale gas and the US Wolfcamp oil projects will not be included in the IPO.

Molopo has engaged Credit Suisse and Macquarie Capital as joint lead managers for the IPO. The Company is well advanced in its preparations, with the IPO expected to occur in the first quarter of 2011.

Molopo Canada listing aimed at enhancing Molopo shareholder value: The main objectives of listing Molopo Canada on a North American stock exchange are:

- To provide investors a transparent valuation benchmark for Molopo’s Canadian oil assets;
- To facilitate improved value recognition for Molopo’s Canadian oil assets than is currently being ascribed in its ASX share price;
- To realise funds for Molopo by selling down a small part of its shareholding in Molopo Canada concurrently with the IPO; and
- To provide Molopo Canada the opportunity to finance the further development of its oil assets via improved access to the North American equity and debt capital markets.

Molopo to retain significant exposure to Canadian oil assets: Molopo’s existing shareholders will continue to retain significant exposure to the Canadian oil assets by Molopo retaining a majority stake in Molopo Canada. The precise level of Molopo’s retained holding will be subject to the pricing of the IPO. In addition, Molopo’s Quebec shale gas assets and recent US Wolfcamp oil acquisition will be retained by Molopo and will not form part of Molopo Canada.

Registered Office
Level 14, 31 Queen Street, Melbourne, Vic. 3000, Australia
GPO Box 223, Melbourne, Vic. 3001, Australia

Telephone: (61 3) 9618 8722 Facsimile: (61 3) 9620 2804
Website: www.molopo.com.au Email: slord@molopo.com.au

NSW Office:
Suite 7, Level 4, 95 Pitt Street, Sydney, NSW, 2000, Australia
GPO Box 7075, Sydney, NSW, 2001, Australia

Telephone: (61 2) 8249 8186 Facsimile: (61 2) 8249 8321

Molopo Canada to raise equity to fund growth: The IPO is expected to consist of an equity offer of common shares that will provide Molopo Canada with funds to continue its existing strategy of building value via increasing oil production, cash flows and reserves.

Molopo expects the IPO to close in the first quarter of CY2011: Subject to market conditions and all applicable approvals and regulatory requirements being met, Molopo expects to complete the IPO in the first quarter of calendar year 2011. As part of the IPO process Molopo expects to release an updated Canadian oil reserves report by the end of the current calendar year.

Issued by: Molopo Energy Limited
For further information contact: Stephen Mitchell MD +61 3 9618 8722
Anthony Bishop CFO +61 3 9618 8722

Molopo Energy Limited is an ASX-listed petroleum producer focused on the exploration, appraisal, development and production of unconventional energy projects that include the Spearfish and Bakken tight oil projects in Canada, the Wolfcamp oil resource play in Texas, coal-bed methane projects in Australia's Bowen Basin, shale gas projects in Quebec and two gas projects in South Africa.

Important information

This document, including the information contained in this disclaimer, is not a prospectus and does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any person in the United States (as defined in Regulation S under the U.S. Securities Act of 1933 (the **Securities Act**)) or in any other jurisdiction in which such an offer would be illegal.

This document may not be sent or distributed to persons in the United States or to any persons acting for the account or benefit of persons in the United States.