



MOLOPO ENERGY LIMITED

ABN 79 003 152 154

Mr James Gerraty

22 January 2020

ASX Limited

Level 4

525 Collins Street

Melbourne VIC 3000

By Email: James.Gerraty@asx.com.au

cc. kevin.lewis@asx.com.au and Jon.Chow@asx.com.au

Not for Public Release – Commercial in Confidence

‘Dear Mr Gerraty,

Re: Molopo Energy Limited (Molopo) – Extension of Time for Removal from the Official List

I refer to my letter to ASX dated 1 March 2019 and the Molopo’s submissions relating to the proposed amendments to GN 33 and the response from ASX dated 6 March 2019. Molopo accepted the offer from ASX to give careful consideration to providing Molopo with an extension to the deadline for its removal as a long-term suspended entity to afford Molopo’s new Board extra time to determine an appropriate course of action for the company.

Molopo has complied with ASX’s request to keep the offer of further accommodation strictly confidential.



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I note that you have requested by email of 18 December 2019 advice as to the Board's plans for Molopo so ASX can consider the position regarding any extension of time to the deadline to delist the company which takes effect beginning of February 2020 pursuant to Amended Guidance Note 33.

The Board has been working tirelessly over the past 18 months pursuing the recovery of shareholder funds which were invested in various transactions by former directors without shareholder approval and in breach of both ASX Listing Rules and the Corporations Law.

The Board has pursued proceedings in the US without success seeking to unwind those transactions and pursued proceedings in Australia seeking damages against the former directors which it is confident will lead to recovery of funds for shareholders. The Australian proceedings are set down for mediation on 18 February 2020 when it will be clearer to the Board as whether the actions will settle or go to trial. Once it is clear to the Board what shareholder funds can be recovered then the Board will only then be in a position to determine if it can implement a transaction with shareholder approval that will lead to the resumption of trading of its securities.

Despite the difficulties in obtaining reliable financial information in respect of the US projects the Board has continued to comply with its obligations to lodge documentation required under LR 17 and meet its continuous disclosure obligations.

The Board is unable to meet the strict requirements of GN 33 to demonstrate to ASX that Molopo is in the 'final stages' of implementing a transaction that will lead to the resumption of trading of its securities. However, the Board submits that given the special circumstances in which Molopo finds itself and the sequence of events that led to this position, ASX can and should exercise a discretion to grant an indefinite extension to the date for removal from the Official List. Removal from the Official



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List before the Board and shareholders have been given the opportunity to seek resumption of trading of Molopo's securities would severely prejudice all shareholders. Once the position on recovery is clear the Board will determine an appropriate course of action and advise ASX accordingly.

The Board undertakes to keep ASX advised of all developments and agrees to be bound by its agreement with ASX to keep the accommodation afforded by ASX to Molopo strictly confidential in respect of any special circumstances granted which are in no way comparable to other suspended entities.

I look forward to receiving your advice of the ASX determination as soon as possible.

Yours Faithfully,

Roger C Corbett AO

Chairman