



8 November 2017

BY ELECTRONIC LODGEMENT

Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Proposed Off-Market Takeover Bid for Molopo Energy Limited (ASX: MPO)

WAM Capital Limited (ACN 086 587 395) (**WAM Capital**) is intending to make an off-market takeover bid under Part 6.5 of Chapter 6 of the *Corporations Act 2001* (Cth) (**Corporations Act**) for all the issued fully paid ordinary shares in Molopo Energy Limited (ACN 003 152 154) (**Molopo**) at a bid price of \$0.135 for each share (**Offer**).

The proposed takeover by WAM Capital will be subject to the following defeating conditions:

(1) 50.1% minimum acceptance

WAM Capital has a relevant interest in more than 50.1% (by number) of Molopo shares on issue before the end of the offer period.

(2) No regulatory action

During the period starting on the date that the Offer was announced (**Announcement Date**) and ending at the end of the offer period:

- (a) no preliminary or final decision, order or decree is made or issued;
- (b) no action, proceeding or investigation is announced, commenced or threatened; and
- (c) no application is made (other than by WAM Capital or its associates),

by or to any regulatory organisation or government agency which is likely to or threatens to restrain, prohibit, impede or otherwise materially adversely affect the making of the Offer, the acquisition of the Molopo shares by WAM Capital, the rights of WAM Capital in respect of Molopo and the Molopo shares or the continued operation of the businesses of Molopo or its subsidiaries (other than any action or decision by or application to ASIC or the Takeovers Panel in exercise of the powers or discretions conferred by the Corporations Act).

W | A | M Capital

wilsonassetmanagement.com.au
Telephone. + 61 2 9247 6755
Fax. +61 2 9247 6855

info@wilsonassetmanagement.com.au
Level 11, 139 Macquarie Street
Sydney NSW 2000 Australia



(3) No prescribed occurrences

Between the Announcement Date and the end of the offer period, there is no occurrence of any event as set out under section 652C of the Corporations Act with respect to Molopo or any of its subsidiaries.

(4) No material transactions

Except for any proposed transaction reasonably full details of which are publicly announced by Molopo before the Announcement Date, none of the following events occurs during the period starting on the Announcement Date and ending at the end of the Offer Period without the written consent of WAM Capital:

- (a) Molopo or any of its subsidiaries acquires, offers to acquire or agrees to acquire one or more companies or assets (or an interest in one or more companies or assets) for an amount in any single transaction of more than \$2 million or an amount in aggregate in any series of transactions of more than \$2 million, or makes an announcement about such an acquisition or acquisitions;
- (b) Molopo or any of its subsidiaries disposes, offers to dispose or agrees to dispose of one or more companies or assets (or an interest in one or more companies or assets) for an amount in any single transaction of more than \$2 million or an amount in aggregate in any series of transactions of more than \$2 million, or makes an announcement about such a disposal;
- (c) Molopo or any of its subsidiaries enters into, offers to enter into or announces that it proposes to enter into any joint venture, partnership or dual listed company structure involving a commitment of greater than \$2 million in any single transaction or an amount in aggregate in any series of transactions of more than \$2 million, or makes an announcement about such a commitment; or
- (d) Molopo or any of its subsidiaries incurs or commits to, or grants to another person a right the exercise of which would involve Molopo or any of its subsidiaries incurring or committing to any capital expenditure or liability for one or more related items of greater than \$2 million, or makes an announcement about such a commitment.

(5) No material adverse change

Between the Announcement Date and the end of the offer period, there is no occurrence of any change which has or could reasonably be expected to have a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of Molopo and/or its subsidiaries.

(6) Conduct of Molopo's business

Between the Announcement Date and the end of the offer period, none of Molopo and any body corporate which is or becomes a subsidiary of Molopo, without the written consent of WAM Capital:



- (a) adopts a new constitution or makes any change to its constitution or passes any special resolution or proposes to do so;
- (b) gives or agrees to give any encumbrance (including a security interest or mortgage) over any of its assets otherwise than in the ordinary course of business; or
- (c) appoints any additional director to its board of directors whether to fill a casual vacancy or otherwise.

(7) No superior alternative proposal

During the offer period, no alternative proposal to the Offer is announced that:

- (a) is recommended by any Molopo director; or
- (b) offers consideration that is higher than the consideration offered under the bid valued, as far as practicable, in accordance with the principles applying under section 621(3) of the Corporations Act and ASIC Regulatory Guide 9: Takeover bids.

(8) No material litigation

Between the Announcement Date and the end of the offer period:

- (a) none of Molopo and its subsidiaries has threatened or commenced against it any material claims or proceedings in any court or tribunal (and a claim or proceeding is taken to be material if it may reasonably result in a judgment of \$100,000 or more), other than that which has been fully and fairly publicly disclosed to ASX prior to the Announcement Date;
- (b) the consideration under the Offer is required to be increased or WAM Capital or one of its associate of WAM Capital is required or reasonably likely to be required to pay any amount to any one or more Molopo shareholders in connection with the Offer as a result of:
 - (i) any litigation that is commenced, is threatened to be commenced, announced or is made known to Molopo (whether or not becoming public); or
 - (ii) any preliminary or final decision or order of any regulator or other government agency, other than as a result of WAM Capital publicly undertaking to increase the consideration under the Offer or WAM Capital lodging a notice of variation under section 650D of the Corporations Act relating to an increase of the consideration under the Offer; or
- (c) the aggregate liability of Molopo and its subsidiaries under or in connection with any existing claim or proceeding in any court or tribunal is or is likely to be materially more than the provision made for the claim or proceeding in Molopo's last audited annual financial statements or, if no provision has been made, is or likely to be more than \$100,000.



(9) No adverse outcome in Keybridge Proceedings

Between the Announcement Date and the end of the offer period, no material adverse decision is made in the legal proceedings commenced by one of Molopo's largest shareholders, Keybridge Capital Limited against Molopo in the Supreme Court of Western Australia and subsequently transferred to the Supreme Court of Victoria.

(10) Takeovers Panel's orders remain enforceable

Between the Announcement Date and the end of the offer period, the orders made on 7 July 2017 by the Takeovers Panel in the matter of Molopo Energy Limited 03R, 04R & 05R requiring the divestment of Molopo shares remain enforceable.

(11) No de-listing

Between the Announcement Date and the end of the offer period, Molopo is not removed from the official list of the ASX.

A bidder's statement, which will contain further information about the Offer, will be prepared in due course and sent to Molopo's shareholders in accordance with the requirements of the *Corporations Act 2001* (Cth). The Offer will open for acceptance around that time and will be open for at least one month (unless withdrawn during that period under section 652B of the Corporations Act).

For further information in relation to the proposed takeover, please contact me on (02) 9247 6755, Head of Corporate Affairs James McNamara on 0416 734 080 or Chief Financial Officer Jesse Hamilton on 0401 944 807.

Yours sincerely,

Geoff Wilson
Chairman