



17<sup>th</sup> December 2021

Dear Shareholders,

## **SETTLEMENT OF CLAIM AGAINST D&O INSURERS AND FORMER DIRECTORS / DISMISSAL ORDERS ISSUED BY COURT**

The Board of Molopo Energy Limited advises that it has settled the proceedings in the Supreme Court of Victoria against the D&O Insurers and former directors of the Company.

The settlement comprised a payment to Molopo in the sum of AU \$12 million nett to Molopo without admission of liability and mutual releases between Molopo as plaintiff and the D&O Insurers and former directors as defendants.

Following the three-year legal action the Board agreed to settle the proceedings after having due regard to all relevant matters including their protracted nature, escalating legal costs which would be exacerbated by a lengthy court hearing, the position of the D&O Insurers on exclusions under the D&O insurance policies and the personal circumstances of the former directors.

The Board is satisfied that despite the significant loss incurred by Molopo and shareholders from the various transactions associated with the Orient/Drawbridge investments in 2017 and 2018 that it is in the interests of shareholders to have settled the proceedings on the terms agreed.

## **NEXT STEPS**

At this time, the Board are pursuing several other opportunities to recover lost funds and continue to defend the Company's legal action in Canada.



# MOLOPO ENERGY LIMITED

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When these matters become clearer, the Board intends to call a meeting of shareholders and provide shareholders with the opportunity to determine the future application of funds held by the Company.

Yours sincerely,

Roger Corbett

Non-Executive Chairman – Molopo Energy Limited