



## Notice of annual general meeting and explanatory statement

### Molopo Energy Limited ACN 003 152 154

Date: Wednesday 25 May 2022  
Time: 9.00am (AEST)  
Location: This meeting will be conducted as a virtual meeting, accessible online

#### IMPORTANT INFORMATION

The Meeting will be held virtually. Shareholders will be able to participate in the Meeting by:

- voting prior to the Meeting by lodging the Proxy Form attached to the Notice of Meeting in Section 6 by no later than 9.00am (AEST) on Monday, 23 May 2022.
- submitting questions in advance of the Meeting by emailing the questions to Company Secretary by no later than 5.00pm (AEST) on Monday, 23 May 2022 at [enquiries@molopoenergy.com](mailto:enquiries@molopoenergy.com)
- register to attend the webcast by email at [enquiries@molopoenergy.com](mailto:enquiries@molopoenergy.com)
- vote at the meeting by going to <https://meetnow.global/MKF5LHS> and entering your details when prompted; and
- asking questions during the virtual Meeting.

**This is an important document that requires your immediate attention.**

You should read this document in its entirety before deciding whether, or not, to vote in favour of any resolutions at the Annual General Meeting. If you are in doubt as to what you should do, you should consult your legal, investment or other professional adviser. If you have recently sold your Molopo Shares, please disregard this document.

# Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (**AGM**) of Molopo Energy Limited ACN 003 152 154 (**Molopo or Company**) will be held via ZOOM Webinar at 9am (AEST) on Wednesday 25 May 2022.

The Explanatory Statement, which accompany and forms part of this Notice, describe the matters to be considered.

## IMPORTANT NOTICE

Due to Government direction and other restrictions under the *Public Health (COVID-19 Restrictions on Gathering and Movement) Order 2021* and for the purposes of public health and safety, Molopo Energy Limited is not able to allow shareholders to physically attend the Meeting.

Shareholders should read this Notice of Annual General Meeting and Explanatory Memorandum in full before deciding if and how to vote on the Resolutions. If you are in doubt about what to do in relation to the Resolutions, you should consult your financial or other professional adviser.

### Registration to attend the virtual Annual General Meeting:

Shareholders are required to pre-register for the AGM which will be held live via Zoom webcast. Shareholders will be required to download the ZOOM App and connect using a link with a unique Meeting ID passcode.

Please send an email to [enquiries@molopoenergy.com](mailto:enquiries@molopoenergy.com) with your Holder Name and HIN. Once registration is accepted, Molopo will allocate you a unique Meeting ID to access the meeting.

Shareholders are requested and encouraged to use the online method of voting as described in the notice of meeting. You must submit your voting preference on or before 9am (AEST) Monday 23 May 2022

### Voting on resolutions:

It is a requirement under the ASIC Determination that voting on resolutions at the AGM will be taken on a poll and not by show of hands, and that each person entitled to vote be given the opportunity to participate in the vote in real time or by recording their vote in advance of the meeting.

Shareholders are strongly encouraged to vote online before the meeting and appoint the Chairman of the meeting as their proxy, providing specific instructions on how the shareholder's vote is to be cast on each resolution, and the Chairman must follow those instructions. Electronic voting instructions are set out in the Proxy Form attached to the Notice of Meeting.

All open votes will be voted by the Chair as stated in the Explanatory Statement section of the Notice of Meeting.

Directors therefore advise Shareholders who wish to have their vote counted to **vote electronically by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and quoting the 6-digit control number found on the front of your Proxy Form prior to 9am (AEST) Monday 23 May 2022.**

### LIVE ONLINE VOTING PROCEDURES DURING THE AGM:

Shareholders and proxyholders will be able to vote at the meeting online:

- a. From their computer, by entering the URL into their browser: <https://meetnow.global/MKF5LHS>
- b. From their mobile device by either entering the URL in their browser: <https://meetnow.global/MKF5LHS>

Online voting registration will commence 30 minutes prior to the start of the meeting and close 5 minutes after the last item of business.

More information regarding participating in the AGM online can be found by visiting <http://www.molopoenergy.com/investor-relations/>, or at the end of this Notice of Meeting

# BUSINESS OF THE MEETING

## RECEIPT AND CONSIDERATION OF ACCOUNTS AND REPORTS

To receive and consider the Directors' report, Auditor's report, and Financial Statements of the Company for the year ended 31 December 2021.

## RESOLUTION 1 – ELECTION OF RALPH CURTON JR. AS A DIRECTOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That, for the purposes of rule 3.3 of the Company's constitution and for all other purposes, Mr Ralph Curton jr., having been appointed to the Board as a director of the Company, retires and being eligible offers himself for election, be re-elected as a director of the Company.*

## RESOLUTION 2 – ELECTION OF JOHN PATTON AS A DIRECTOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That, for the purposes of rule 3.3 of the Company's constitution and for all other purposes, Mr John Patton, having been appointed to the Board as a director of the Company, retires and being eligible offers himself for election, be re-elected as a director of the Company.*

## RESOLUTION 3 – RE-ELECTION OF ROGER CORBETT AS A DIRECTOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That, for the purposes of rule 3.6 of the Company's constitution and for all other purposes, Mr Roger Corbett AO, having been appointed by shareholders as a director, retires and being eligible offers himself for election, be re-elected as a director of the Company.*

## RESOLUTION 4 – AUTHORISE EXPENDITURE FOR RECOVERY ACTION LEGAL ADVICE

To consider, and if in favour, pass the following resolution as an ordinary resolution:

*"That shareholders authorise the Board to expend Company funds to obtain legal advice and counsel's opinion on the prospects of success and potential quantum of damages to enable the Board to consider commencing legal action against ASX Ltd and DLA Piper for the recovery of damages associated with the Company's investment in the Orient/Drawbridge Transactions, and to act on that advice at the discretion of the Board."*

## RESOLUTION 5 – AMENDMENTS TO CONSTITUTION

To consider, and if in favour, to pass the following resolution as a **special resolution** under the Corporations Act:

*"That, for the purposes of Section 136(2) of the Corporations Act and for all other purposes, approval is given that the constitution of the Company is amended in the manner set out in the Explanatory Statement, with effect from the conclusion of the meeting."*

BY ORDER OF THE BOARD



Andrew Metcalfe

Company Secretary

26 April 2022

The accompanying Explanatory Statement forms part of this Notice of Annual General Meeting.

## VOTING ENTITLEMENTS

The Board has determined that, for the purposes of voting at the AGM, shares in the Company are taken as being held by the person(s) who hold them as at 7pm (AEST) on 23 May 2022.

### CORPORATE REPRESENTATIVES

A corporate Shareholder may appoint a person to act as its representative at the AGM by providing the person with:

- a letter or certificate authorising him or her to act as the corporation's representative, executed in accordance with the corporation's constitution; or
- a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

To be effective, the instrument by which the person who is appointed a representative of the corporate Shareholder must be received by the Company no later than 48 hours before the commencement of the AGM, i.e., by no later than 9am (AEST) on 23 May 2022.

### PROXIES

Shareholders are encouraged to vote online or by returning the proxy form. To be valid, completed proxy forms must be received at the address given below no later than 48 hours before the commencement of the AGM, i.e., by no later than 9am (AEST) on 23 May 2022. Any proxy form received after that time will not be valid for the scheduled AGM.

The Chairman of the meeting is required to vote all directed proxies as specified in the appointment in respect of each resolution. In respect of undirected proxies, the Chairman of the meeting intends to vote or abstain from voting in respect of each resolution as stated in the Explanatory Statement.

Proxy forms may be lodged by posting the completed form in the reply-paid envelope provided (Australia only) or delivering or faxing the completed form to the address or fax number set out below.

Online:

Electronically, by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and entering Control Number: 136646 to lodge your proxy vote and following the instructions provided (note a proxy cannot be appointed online if they are appointed under Power of Attorney or similar authority).

By facsimile:

Australian based investors: 1800 783 447

Overseas based investors: +61 3 9473 2555

By mail or hand delivery:

Molopo Energy Limited, c/- Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne Victoria 3001.

Delivering it in person to "Yarra Falls", 452 Johnston Street, Abbotsford Victoria 3067.

1. A Shareholder entitled to attend, and vote has the right to appoint a proxy. For votes to be valid, they must be received by no later than 9am (AEST) on 23 May 2022.
2. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise one half of the Shareholder's votes. If the Shareholder appoints two proxies, neither proxy may vote on a show of hands.
3. A proxy need not be a Shareholder of the Company.
4. Proxies given by corporations must be signed in accordance with the constituent documents of the corporation or the laws in force in its place of incorporation, or by a duly appointed attorney. For Australian corporations, it is sufficient if the proxy is signed by two directors, a director and the secretary, or in the case of a proprietary company with only a sole director and secretary, that person.
5. Where a proxy form is signed on behalf of a Shareholder by an attorney or agent, the proxy will not be valid unless the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) is lodged with the

Company by delivery or mail, to the addresses specified above for the lodgement of proxy forms, no later than 48 hours before the scheduled time for commencement of the AGM, i.e., by no later than 9am (AEST) on 23 May 2022

6. A proxy form or ability to vote online accompanies the Notice of Meeting.

#### QUESTIONS FROM SHAREHOLDERS

Both prior to and at the AGM the Chairman will allow a reasonable opportunity for Shareholders to submit and ask questions or make comments on the management of the Company and the Remuneration Report. All questions asked will be answered.

The auditor responsible for preparing the auditor's report for the year ended 31 December 2021 (or his representative) will attend the AGM. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of financial statements and the independence of the auditor in relation to the conduct of the audit.

Please submit any questions you may have in writing to [enquiries@molopoenergy.com](mailto:enquiries@molopoenergy.com), and if addressed to the auditor, by no later than 9am on 23 May 2022, and if addressed to the Company, by no later than 23 May 2022.

## **EXPLANATORY STATEMENT**

This Explanatory Statement is prepared to provide information to Shareholders about the business to be conducted at the Company's 2022 Annual General Meeting.

## **THE FINANCIAL STATEMENTS AND REPORTS**

The Corporations Act requires the Company's financial report (which includes financial statements, notes to the financial statements and Directors' declaration), Directors' report and auditor's report (together, **Reports**) to be tabled at the AGM. The Constitution of Molopo Energy Limited (**Constitution**) provides for the Reports to be received and considered at the AGM. There is no requirement, either in the Corporations Act or the Constitution, for Shareholders to approve any of the Reports. Shareholders will be given a reasonable opportunity to ask questions and make comments on the Reports and the management of the Company.

The Company's Annual Report for the year ended 31 December 2021 (**2021 Annual Report**) has been sent to Shareholders in accordance with the Corporations Act. The 2021 Annual Report (which includes the financial statements, Directors' report, and auditor's report) is available on the Company's website at <http://www.molopoenergy.com/investor-relations/>.

### **RESOLUTION 1: Election of Mr Curton jr.**

Mr. Curton joined the Board on 31 May 2018. at the 2021 AGM The re-election of Mr Curton was defeated by shareholders. Mr Curton was subsequently re-appointed to the board on 8 July 2022.

Pursuant to rule 3.3 of the Company's constitution Mr Curton must seek re-election as a director of the Company at the Company's AGM.

Ralph Curton, Jr. has achieved success in a number of industries including oil & gas, developing over 50,000+ lease acres and participating in over 300 commercially successful gas wells. Additionally, Mr. Curton held rights to distribute Coors beer in 13 counties across East Texas and was involved in the development of 5,000+ units of multi-family housing in Texas and New Mexico. Ralph serves on the National Ambassadors Board of the Barnes Foundation in Philadelphia, PA.

The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 1.

#### ***Directors' recommendation***

All directors (with Mr Curton abstaining) recommend that shareholders vote in favour of Resolution 1.

### **RESOLUTION 2: Election of Mr John Patton**

Mr. Patton was appointed to the Board on 5 July 2021.

Pursuant to rule 3.3 of the Company's constitution Mr Patton must seek re-election as a director of the Company at the Company's AGM.

Mr Patton is a senior executive with extensive finance experience in the corporate and professional services sectors. Additionally, Mr Patton is currently a Non-Executive director of Metgasco Ltd (ASX: MEL) and Yowie Group Limited (ASX: YOW). Mr Patton is also the Company Secretary of Keybridge Capital Limited (ASX: KBC) and Managing Director of Aurora Funds Management Limited.

The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 2.

#### ***Directors' recommendation***

All directors (with Mr Patton abstaining) recommend that shareholders vote in favour of Resolution 2.

### **RESOLUTION 3: Re-election of Mr Roger Corbett AO**

Mr. Corbett joined the Board on 31 May 2018.

Pursuant to rule 3.6 of the Company's constitution Mr Corbett must seek re-election as a director of the Company at the Company's AGM.

Mr Corbett is an Australian businessman and former CEO and Managing Director of Woolworths Limited, Australia's largest retail company where he served from 1990 to 2006.

Roger was educated in Sydney where he graduated from UNSW Sydney with a Bachelor of Commerce.

In 2003, Roger was awarded an Order of Australia (AM) for his services to the retail industry, particularly as a contributor to the development of industry policy & standards, and to the community.

In 2008 he was promoted to an Officer of the Order of Australia (AO) for services to business, particularly through leadership and executive roles in the retail sector and a range of allied organisations, and to the community.

Roger is non-executive Chairman of Mayne Pharma Group Limited an Australian specialist pharmaceutical company and serves as a director on the Salvation Army Advisory Board. He was formerly chairman of Australian Hospitality and Leisure Group (ALH), a former director of the Reserve Bank of Australia, a former Chairman of Fairfax Media Limited and a former director of Walmart Inc.

The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 3.

***Directors' recommendation***

All directors (with Mr Corbett abstaining) recommend that shareholders vote in favour of Resolution 3.

**RESOLUTION 4: Authorise expenditure for recovery action legal advice**

Resolution 4 is as an ordinary resolution that seeks shareholder approval to permit the Board to expend Company funds to obtain legal advice and counsel's opinion on the prospects of success and potential quantum of damages to enable the Board to consider commencing legal action against ASX Ltd and DLA Piper for the recovery of damages associated with the Company's investment in the Orient/Drawbridge Transactions and to act on that advice at the discretion of the Board.

The Board is presently of the view that ASX Limited, as market regulator for Molopo as a listed company, and DLA Piper Lawyers, who represented Molopo between November 2017 and May 2018 at significant expense to the Company both share responsibility for allowing former directors of Molopo to enter into the Orient/Drawbridge Transactions without seeking shareholder approval to do so.

The Orient/Drawbridge Transactions involved the transfer of circa US\$35 million of the Company's funds in relation to Orient FRC Limited which in turn holds a 30% non-voting interest in, with no ability to appoint a director to, Drawbridge Energy Holdings Limited (Drawbridge) to hold oil and gas exploration licenses in USA. The majority of these transfers (being US\$28 million) occurred between December 2017 and March 2018. Molopo understands that the 70% shareholder of Drawbridge, which also holds 100% of the voting rights and has the right to appoint directors to Drawbridge, did not contribute any capital in Drawbridge.

The Board have previously determined that these oil and gas licenses have zero value for Molopo which is still the current position of the Molopo Board.

ASX Limited were made aware, via correspondence before these offshore transfers were made, that this should require prior shareholder approval given the significant change in the nature and scale of Molopo's activities, with more than 70% of Molopo's main asset base (being its cash resources) being transferred offshore.

The Board, through its appointed corporate legal counsel, has written to both ASX Limited and DLA Piper Lawyers alleging negligence and breach of duty with respect to their respective involvement in the Orient/Drawbridge Transactions and those allegations have been denied by both ASX Limited and DLA Piper Lawyers. Copies of all correspondence between Molopo's corporate legal counsel and ASX Limited and DLA Piper Lawyers will be made available to shareholders on written request to the company secretary.

Having recovered AUD12 million in settling the action against the former directors after lengthy and expensive legal proceedings, the Board is mindful that any future proceedings will be time consuming and require significant expenditure of shareholder funds.

Accordingly, before embarking on incurring further expense on legal costs, the Board seeks shareholder approval to expend funds to seek legal counsel's opinion on the prospects of success against and possible quantum of recovery of damages from both ASX Limited and DLA Piper Lawyers in litigation proceedings.

The Board would then determine whether to proceed with any further action and will keep shareholders informed of their decision.

***Directors' recommendation***

All directors recommend that shareholders vote in favour of Resolution 4.

**RESOLUTION 5: Amendment to the Company's constitution**

Resolution 5 is a special resolution and requires 75% approval of shareholders to be passed.

Under ASIC Corporations (Virtual-only Meetings) Instrument 2022/129, an unlisted company can hold a virtual-only meeting until 30 June 2022. However after that date, the company must amend its constitution to allow for virtual-only meetings to be held.

Clause 13.7 of the Company's constitution states the following:

The Company may hold a meeting of Members at two or more venues using any technology that gives the Members as a whole a reasonable opportunity to participate.

For the company to hold a virtual-only meeting of members, an amendment to clause 13.7 is required as follows:

The Company may hold a meeting of Members, *including a hybrid or virtual-only meeting*, at two or more venues using any technology that gives the Members as a whole a reasonable opportunity to participate.

Clause 14.2 of the Company's constitution relates to a quorum for a general meeting. The following is to be included in clause 14.2 to allow members attending virtually to be considered present at the general meeting:

*If a separate meeting place is linked to the main place of a meeting of Shareholders by an instantaneous audio-visual communication device which, by itself or in conjunction with other arrangements:*

- (i) gives the general body of members in the separate meeting place a reasonable opportunity to participate in proceedings in the main place;*
- (ii) enables the Chair of the meeting to be aware of proceedings in the other place; and*
- (iii) enables the Shareholders in the separate meeting place to vote on a show of hands or on a poll;*

*a Shareholder present at the separate meeting place is taken to be present at the general meeting and entitled to exercise all rights as if he or she was present at the main place.*

*Nothing in this clause is to be taken to limit the powers conferred on the Chair of the meeting by law.*

Clause 14.9 of the Company's constitution relates to an adjournment of a general meeting. The following is to be included in clause 14.9 to allow an adjourned general meeting held as a virtual only meeting to be held in the same manner as the meeting was held prior to it being adjourned:

*If, before or during the meeting, any technical difficulty occurs where one or more of the matters set out in article 14.2 is not satisfied, the chair may:*

- (i) adjourn the meeting until the difficulty is remedied; or*
- (ii) continue to hold the meeting in the main place (and any other place which is linked under article 10.2 and transact business, and no member may object to the meeting being held or continuing.*

The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 5.

#### **Directors' recommendation**

All directors recommend that shareholders vote in favour of Resolution 5.

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#### **Glossary**

In the Notice of Meeting and the Explanatory Statement, the following terms have the following meaning unless the context requires otherwise.

**Annual General Meeting** or **AGM** means the annual general meeting of the Company convened by the Notice of Meeting.

**ASIC** means the Australian Securities & Investments Commission.

**Board** means the current board of directors of Molopo.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Explanatory Statement** means the explanatory statement and explanatory statement accompanying the Notice of Meeting.

**Molopo** or **Company** means Molopo Energy Limited (ACN 003 152 154).

**Notice of Meeting** or **Notice of Annual General Meeting** or **Notice** means this notice of meeting including the Explanatory Statement and the proxy form.

**Share** means a fully paid ordinary share in the capital of Molopo.

**Shareholder** mean the holder of a Share.