



MOLOPO ENERGY LIMITED

ABN 79 003 152 154

2 May 2023

Dear Shareholders,

I am writing to you in advance of the Company's Annual General Meeting which is scheduled to take place on Thursday 25th May 2023 at 10am. The meeting will be held virtually and as provided in the Notice of Meeting all shareholders will have the opportunity to vote either by proxy or at the meeting in accordance with the instructions provided in that notice.

The Company's Annual Report accompanies this letter for your review. The information provided in that report together with some background on current issues contained in this letter will provide shareholders with an opportunity to consider matters, express your views and submit questions before the meeting which I will then endeavour to address in my Chairman's Address at the meeting. The opportunity will of course still exist for shareholders to ask questions at the AGM itself without notice.

As foreshadowed at last year's Annual General Meeting the Board's focus has been concentrated on defending the long running Canadian proceedings against the Company's subsidiary Molopo Energy Canada Limited (MECL) which were commenced in 2011. Since our meeting last year those proceedings are continuing and have now progressed through the discovery process and interrogation of witnesses which has been both detailed and time consuming.

The proceedings involve the claim for damages by 3105682 Nova Scotia ULC (310) against MECL and Crescent Point Holdings Inc and Crescent Point Energy Corp (Crescent Point) arising from the sale of the Company's subsidiary's oil and gas assets in 2011. Crescent Point has cross claimed against MECL in relation to potential losses it may incur. The claims for damages by 310 are significant and complex and are being strongly defended by both MECL and Crescent Point but again at significant expense to shareholders. It was anticipated that a court directed mediation would take place in April this year, however, the mediation has now been scheduled for the 5th and 6th December 2023 in Calgary.

The Board will continue to vigorously defend the proceedings.

At the present time the Company has approximately AUD\$16.9 million in cash and a debt owing to Molopo from a subsidiary of Renegen Limited of approximately AUD4.2 million which has preconditions to its payment and, from 1 January 2023, now accrues interest.

I therefore encourage all shareholders to consider the Annual Report and all these issues in advance of the Annual General Meeting and express their views or submit questions through the Company Secretary Andrew Metcalfe at Andrew@accosec.com so the Board can consider your views and I can address your questions at the meeting.



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Finally I wish to thank all my fellow Directors commitment and indeed all shareholders for their ongoing patience and support of the Board for what has been a difficult time for the Company and shareholders.

Yours sincerely,

R C Corbett
Chairman