



MOLOPO ENERGY LIMITED

ABN 79 003 152 154

15 February 2024

Dear Shareholders,

The Molopo Board wishes to advise shareholders that the scheduled mediation of the long running litigation commenced in 2011 between 31005682 Nova Scotia ULC (**310**) as Plaintiff and Molopo Energy Canada Ltd (**MECL**) and Crescent Point Holdings Inc (**Crescent Point**) as Defendants was conducted in Calgary on 5th and 6th of December 2023. MECL was represented by the Chair of Molopo Energy Ltd Mr Roger Corbett AO and the company's legal counsel Mr Stephen Williams. Your current board, who were not involved when the litigation action commenced, and have been and remain diligent in their approach in defending the matter to protect shareholders' interests.

The mediation was conducted by an experienced mediator in oil and gas transactions who was across all the issues in this complicated litigation. Despite the mediator's attempts to narrow the issues in dispute and get all parties to agree a compromise and with best efforts made by the Defendants, the parties were so far apart and the mediation negotiations were terminated on the second day without a satisfactory outcome. The Board also waited for an appropriate time following the mediation to ensure that there was no likelihood of any follow-up negotiations for settlement. The matter is now scheduled for trial in or about July 2024 unless further settlement negotiations are instigated closer to the trial date.

The Board subsequently received an invitation along with the other parties to participate in a Court facilitated mediation overseen by a Supreme Court Justice which required all parties to agree to participate. Having participated in good faith in the earlier mediation and given the 310 position at that time, there appeared little point in participating in a further mediation and incurring additional associated expense. We have been advised 310 did not pursue the invitation and given the 310 position at the December mediation, Crescent Point also saw no benefit and was not inclined to accept the Court's invitation.

MECL is now proceeding to prepare for trial to defend its position and will keep shareholders informed of progress as the trial approaches.

Yours sincerely,

Andrew Metcalfe
Company Secretary