



MOLOPO ENERGY LIMITED

ABN 79 003 152 154

NOTICE OF 2013 ANNUAL GENERAL MEETING AND EXPLANATORY NOTES

Notice is given that the 2013 Annual General Meeting of members of Molopo Energy Limited will be held at The Westin Hotel Melbourne, Wine Room, 205 Collins Street, Melbourne at 10 a.m. (Melbourne time) on Thursday, 23 May 2013.

NOTICE OF MEETING

The Annual General Meeting of the members of Molopo Energy Limited (the "Meeting") will be held at The Westin Hotel Melbourne, Wine Room, 205 Collins Street, Melbourne at 10 a.m. (Melbourne time) on Thursday, 23 May 2013.

BUSINESS

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the period ended 31 December 2012.

2. REMUNERATION REPORT

To consider and, if thought fit, pass the following resolution as an advisory, non-binding resolution:

"That the Remuneration Report for the six months ended 31 December 2012 be adopted."

3. ELECTION OF DIRECTORS – MR. JEFFREY SCHWARZ & MR. GREG LEWIN

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

- (a) "That Mr. Jeffrey Schwarz, having been appointed by the Board as a director since the last Annual General Meeting, retires in accordance with rule 3.3 of the Company's Constitution and, being eligible and offering himself for election, be elected as a director of the Company."
- (b) "That Mr. Greg Lewin, retires in accordance with rule 3.6 of the Company's Constitution and being eligible and offering himself for re-election, be elected as a director of the Company."

BY ORDER OF THE BOARD



Andrew Metcalfe
Company Secretary
23 April 2013

VOTING INSTRUCTIONS

VOTING ENTITLEMENTS

The Board has determined that, for the purposes of voting at the Meeting, shares in the Company are taken as being held by the persons who hold them as at 7 p.m. (Melbourne time) on Tuesday, 21 May 2013.

VOTING RESTRICTIONS

Voting restrictions for item 2

The Corporations Act prohibits directors and other key management personnel of the Company, details of whose remuneration are included in 2012 Remuneration Report, and their closely related parties, from voting in any capacity (e.g. as a shareholder, proxy or corporate representative) on item 2. The prohibition does not apply if the person has been appointed as a proxy by writing that specifies how the proxy is to vote on item 2, provided that the person who has appointed the proxy is not themselves a person subject to the prohibition.

In addition, the prohibition does not apply to the Chairman of the Meeting as proxy, where the proxy appointment expressly authorises the Chairman of the Meeting to exercise an undirected proxy. If a shareholder appoints the Chairman of the Meeting as their proxy and the shareholder does not direct the Chairman of the Meeting how to vote on item 2, the shareholder may authorise the Chairman of the Meeting in respect of item 2 to exercise the proxy, notwithstanding that item 2 is connected directly or indirectly with the remuneration of a member of the Company's key management personnel.

The Chairman of the Meeting intends to vote undirected proxies (where the Chairman has been appropriately authorised) in favour of item 2.

Other directors and other key management personnel of the Company and their closely related parties will not cast any votes in respect of item 2 that arise from any undirected proxy that they hold.

If you do not wish to appoint the Chairman of the Meeting to vote in favour of item 2, it will be important for you to complete the voting directions in respect of item 2 in Step 2 of the Proxy Form.

CORPORATE REPRESENTATIVES

A corporate shareholder may appoint a person to act as its representative at the Meeting 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 before the Meeting.

PROXIES

If you are not able to attend the Meeting but wish to vote, please complete and return the attached form of proxy. To be valid, completed proxy forms must be received at the address given below no later than 48 hours before the commencement of the Meeting, i.e. **by no later than 10 a.m. (Melbourne time) on Tuesday, 21 May 2013**. Any proxy form received after that time will not be valid for the Meeting.

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 below:

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 Limited, GPO Box 242, Melbourne Victoria 3001

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

Online:

Electronically, by visiting www.investorvote.com.au and following the instructions provided (note a proxy cannot be appointed online if they are appointed under Power of Attorney or similar authority).

Custodians and nominees

For Intermediary Online subscribers only (custodians and nominees), please visit www.intermediaryonline.com to submit your voting intentions.

PROXY NOTES

1. A member entitled to attend and vote at the Meeting has the right to appoint a proxy.
2. A member 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 member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise one half of the member's votes. If the member appoints two proxies, neither proxy may vote on a show of hands.
3. A proxy need not be a member 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) a person who is the sole director and secretary.
5. Where a proxy form is signed on behalf of a member 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 Meeting.
6. A proxy form accompanies this Notice of 2013 Annual General Meeting.

EXPLANATORY NOTES

These Explanatory Notes accompany, and should be read together with and form part of the Notice of 2013 Annual General Meeting.

ITEM 1. THE FINANCIAL STATEMENTS AND REPORTS

The 2012 Annual Report (for the six months ended 31 December 2012) has been sent to shareholders in accordance with the Corporations Act. It has also been made available for shareholders via accessing the Company's website at <http://www.molopo.com.au/investors/annual-reports/>.

Shareholders wishing to attend the 2013 Annual General Meeting are invited to put questions to the Board on matters contained in that Annual Report.

The auditors of the Company, Deloitte Touche Tohmatsu, will attend the Meeting and shareholders will have the opportunity to ask the auditors questions on matters contained in the 2012 Annual Report relevant to 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 the financial statements and the independence of the auditor in relation to the conduct of the audit.

Shareholders are requested to submit written questions to the auditor that are relevant to the content of the Auditor's Report or the conduct of the audit prior to the Meeting, which we will endeavour to address at the Meeting. Any questions should be sent to the Company Secretary at the Company's registered office:

c/- Accosec Pty Ltd,
Suite 3, Level 4, 468 St Kilda Road, Melbourne, VIC, 3004
Facsimile: +61 3 9867 8587

by Thursday, 16 May 2013. Furthermore, shareholders will be given a reasonable opportunity to express their views in person at the Meeting.

ITEM 2. REMUNERATION REPORT

Shareholders are asked to adopt the Company's Remuneration Report for the six months ended 31 December 2012.

The vote is advisory only and will not bind the Company or its directors. The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

If at least 25% of the votes cast are against adoption of the Remuneration Report at the 2013 Annual General Meeting (constituting a 'first strike'), and then again at the 2014 Annual General Meeting (constituting a 'second strike'), the Company will be required to put a resolution to the 2014 Annual General Meeting, to approve calling a general meeting (the "Spill Resolution"). If more than 50% of shareholders vote in favour of the Spill Resolution, the Company must convene a general meeting within 90 days of the 2014 Annual General Meeting.

Note that a voting restriction applies to item 2 in the terms set out in the Notice of Meeting.

The Company's Remuneration Report for the six months ended 31 December 2012 is set out on pages 16 to 27 of the 2012 Annual Report. It describes the Company's remuneration policies and practices, as well as the changes made to those policies and practices during the six months ended 31 December 2012.

Directors' recommendation

The directors consider that the Company's remuneration policies and practices are appropriate, having regard to the Company's current strategy and the markets in which it operates. Accordingly, the directors unanimously recommend that shareholders vote in favour of item 2.

ITEM 3. ELECTION OF DIRECTORS

Mr. Jeffrey Schwarz, having been appointed by the Board as a director since the last Annual General Meeting, automatically retires as a director in accordance with rule 3.3 of the Company's Constitution. Mr. Schwarz offers himself for election as a director of the Company.

Mr. Greg Lewin, having been appointed by shareholders in 2011 as a director offers himself for re-election as a director of the Company in accordance with rule 3.6 of the Company's Constitution.

Information regarding Mr. Schwarz and Mr. Lewin is set out below.

Mr. Jeffrey Schwarz

Mr. Schwarz was appointed as a Non-Executive Director of Molopo on 15 March 2013.

Mr. Schwarz is a senior adviser to Metropolitan Capital Advisors, Inc. ("MCA"), a New York based investment management firm, which he co-founded in 1992. He has more than 30 years of experience in funds management employing value and event investing strategies. From its inception until 2012, Mr. Schwarz served as Chief Investment Officer of MCA, during which time he directed the commitment of significant capital to the energy sector. He holds degrees from the University of Pennsylvania's Wharton School (summa cum laude graduate with a B.S. in Economics; and an MBA with a concentration in Finance).

Mr. Greg Lewin AM

Mr. Lewin was elected as a Non-Executive Director and appointed as Chairman of Molopo Energy Limited on 15 February 2011.

Mr. Lewin's career spanned 34 years with Royal Dutch Shell, from Shell Australia in 1975 to Royal Dutch Shell in The Hague. He held a number of senior executive positions with Shell throughout the world, including President, Shell Global Solutions and Executive Vice-President – Shell Downstream. Mr. Lewin held the position of director of Sasol Ltd (JSE and NYSE) – during 2010 and until March 2011. He was President of the Institution of Chemical Engineers from 2006 to 2007. The Institution of Chemical Engineers is the Royal Society for professional Chemical Engineers with a membership of 30,000. He was elected President of the World Chemical Engineering Council in February 2012 and is a Director of the Australian Wildlife Arts Foundation. In 2010, he was admitted as a Fellow of the Royal Academy of Engineering. He is a Board member of Alinta Energy Holdings Limited and the Cooperative Research Centre for Greenhouse Gas Technologies (CO2CRC) and is an Executive Director of Sapphire Global Pty Ltd.

In 2012, Mr. Lewin was recognised in the Honours list as Member of the Order of Australia (AM) for service to the profession of chemical engineering through senior roles in the petroleum industry, to business and commerce and to professional organisations.

Mr. Lewin is a member of Molopo's HSE & Technical Committee and was Chairman of the Remuneration and Nomination Committee until 31 July 2012.

Directors' recommendation

The directors not standing for election have considered the nominations of Mr. Schwarz and Mr. Lewin and recommend that shareholders vote in favour of their election.



MOLOPO
ENERGY LIMITED

ABN 79 003 152 154

Molopo Energy Limited
Level 4, 468 St Kilda Road,
Melbourne
Victoria 3000

Dear Fellow Shareholder,

You will find enclosed with this letter material relating to Molopo's Annual General Meeting, scheduled for May 23, 2013 in Melbourne. Our recent ASX release outlined our plans for 2013 and we will be discussing these in more depth at the AGM.

Last year, we implemented plans to move all our operations and executive oversight from Melbourne to Calgary. This was a reflection of our strategic shift to a North American platform, where we have most of our assets and where we believed Molopo would have a more dynamic range of growth opportunities. The shift to North America necessitated re-calibration of a number of technical, financial and governance elements for our business.

Many of these adjustments were administrative in nature; such as a change in our year-end from June 30 to December 31; the holding of the AGM in May; and the presentation of our financial statements in US dollars. These were implemented to align Molopo with its North American-focused business.

The addition of Jeffrey Schwarz to the Board of Directors in March represented a further milestone in our increasingly North American focus. Mr. Schwarz, who is New York-based, has a long and distinguished career in investment management and will strengthen the Board. This shift means that Max Beck will not be standing for reelection as a Molopo director. Mr. Beck has brought keen insight and leadership to the Company's Board and on behalf of the entire organisation. I wish to thank him for his contribution. The current Board will be well balanced, with three Non-Executive Directors from each of North America and Australia, reflecting the key constituencies among our shareholder base and preparing us for further advances in our continued focus on North America.

These next few months will see Molopo bring great focus to the execution of its North American strategy. We are unique among many small oil and gas companies in that we have a solid production base (expected to average 700-750 barrels of oil equivalent per day in 2013) and an excellent balance sheet with no debt and \$63 million of cash in the bank at March 31, 2013. We intend to carefully manage that cash to ensure that it's deployed in the best possible manner. A significant component of that plan will be for Molopo to de-risk the future development of its Texas assets with a third party. While this exciting play in the Permian Basin of West Texas represents a potentially significant resource for the Company, we believe that this is a prudent course of action.

In conjunction with this process, we will be reducing Molopo's general and administrative expenses to reflect more accurately our activity level and the magnitude of the Company's operations. This initiative to "right-sizing" will be broad in scope, including an immediate 30% reduction in directors' fees, a 35% decrease in head office staffing levels and numerous other aspects of Molopo's business and operations.

The resultant entity will be streamlined, more efficient and have significant cash resources that could be used to pay for Molopo's joint share to further develop the Texas assets; potential distribution to shareholders (in an amount and at a time to be determined); a share buy-back; or a combination of the foregoing. At this time, it is not anticipated that any capital will be deployed into acquisitions.

I appreciate your continued support of Molopo as we navigate through what has been turbulent water. But rest assured, we will continue to go down a path that seeks to maximize the value of your investment.

Molopo Energy Limited
Gregory Lewin,
Chairman of the Board



MOLOPO
ENERGY LIMITED

ABN 79 003 152 154

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your securityholding

Your secure access information is:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 10 a.m. Tuesday 21 May 2013

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.


Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Molopo Energy Limited hereby appoint

☐ the Chairman of the Meeting **OR**

 **PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Molopo Energy Limited to be held at The Westin Hotel Melbourne, Wine Room, 205 Collins Street, Melbourne on Thursday, 23 May 2013 at 10 a.m. (Melbourne time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 2 (except where I/we have indicated a different voting intention below) even though Item 2 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Item 2 by marking the appropriate box in step 2 below.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Item 2	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3a	Election of Mr. Jeffrey Schwarz as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3b	Re-election of Mr. Greg Lewin as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date

/ /