



MOLOPO ENERGY LIMITED

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ASX ANNOUNCEMENT / MEDIA RELEASE

17 November 2009

MOLOPO TO SELL INTEREST IN LIULIN, SHANXI PROVINCE, CHINA

Molopo Energy Ltd ("Molopo") announces that it has entered an agreement to sell its non-operated interest in Liulin, Shanxi Province, China, to Fortune Oil Plc ("Fortune Oil") for US\$6million.

The sale consideration comprises US\$4million in cash and US\$2million in Fortune Oil shares (listed on the London Stock Exchange).

Molopo's non-operating interest is held through a 26.1% interest in Fortune Liulin Gas Company, Limited, the single purpose company which holds a net 50% interest in the Liulin Block (after back-in by China United Coalbed Methane Corporation, Limited). A subsidiary of Fortune Oil owns all of the other issued shares in Fortune Liulin Gas Company Limited.

Molopo's Managing Director, Stephen Mitchell said: "The sale of Molopo's interest in China follows its recent and conditional sale of its interest in the Clarence Moreton Basin. These transactions will allow Molopo to focus its resources on core assets in Queensland, Canada, and South Africa where it is believed cash flow, reserves and value can be built more rapidly and efficiently".

Fortune Oil is required to apply for admission of the consideration shares to the Official List of the United Kingdom Listing Authority and to trading of those shares on the main market of the London Stock Exchange plc. Completion of the sale is expected to take place on 20 November 2009 and is conditional on Fortune Oil having made the application for admission.

The sale to Fortune Oil supersedes the proposed sale of the shares in Fortune Liulin Gas Company Limited to Pacific Asia Petroleum Inc., referred to in Molopo's announcement to ASX on 5 October 2009.

The announcement by Fortune Oil plc is provided below.

Issued by: **Molopo Energy Limited**

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Molopo Energy Limited is an ASX listed petroleum producer focused on the exploration, appraisal, development and production of coalbed methane (CBM) and other on-shore petroleum projects. Molopo holds a 50% interest in several CBM fields located in the Bowen Basin, Australia, a 100% interest in a shale gas project in Quebec, Canada, an interest in the Bakken and Spearfish oil projects in Canada, a 100% interest in two South African projects, an interest in two permits in the Clarence Moreton Basin, Australia, an interest in the Liulin, Shanxi Province CBM project in China, and a 50% interest in a US gas project.

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Fortune Oil PLC
("the Company" or "Fortune Oil")

Acquisition of a Minority Interest in Fortune Liulin Gas Company Limited

- Acquisition of Molopo Energy's 26.1% interest in Liulin Coal Bed Methane block.
- Gives Fortune Gas 100% of the Foreign Contractor rights in the Liulin CBM block.
- Acquisition is for US\$6m (US\$4m cash, US\$2m in new Fortune Oil shares).

The Board of Fortune Oil PLC is pleased to announce the acquisition of a 26.1 per cent minority interest in Fortune Liulin Gas Company Limited ("FLG") held by Molopo Energy Limited ("Molopo"), formerly known as Molopo Australia Limited ("the Acquisition"). FLG is the Foreign Contractor party to the Production Sharing Contract (PSC) for the Liulin coal bed methane (CBM) block in Shanxi Province.

The consideration for the Acquisition is US\$6 million (£3.6 million), of which US\$4 million is payable in cash and US\$2 million is to be satisfied by the issue of 14,314,047 new Fortune Oil PLC ordinary shares of 1p each ("Shares") to Molopo. Application of the new Shares to listing on the Official List and to trading on the main market of the London Stock Exchange will be made today and admission is expected to take place on 19 November 2009 ("Admission"). The Acquisition is conditional, *inter alia*, on Admission.

Following the acquisition the 26.1 per cent interest in FLG will be transferred to Fortune Green Energy Limited ("FGE") such that FGE will hold 100 per cent of the issued share capital of FLG. FGE is a wholly owned subsidiary of Fortune Gas Investment Holdings Limited, a company in which Fortune Oil has an 85 per cent interest. FGE will pay the Company US\$6 million in consideration for this transfer.

Mr. Qian Benyuan, Chairman of Fortune Oil, said today:

"The acquisition of Molopo's shares in FLG enables the Company to better plan and control development of the Liulin block and reflects Fortune Oil's confidence that Liulin will be a cornerstone success story in the development of China's massive CBM resource."

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