



MEDIA RELEASE

25th February 2008

GLoucester Project receives initial reserves certification

Lucas Energy Pty Ltd (Lucas), a wholly owned subsidiary of AJ Lucas Group Limited, and Molopo (Gloucester) N.L. (Molopo), a wholly owned subsidiary of Molopo Australia Limited, are pleased to announce that the Gloucester Basin Project has received its initial reserves certification for Coal Bed Methane (CBM) recovery. The initial estimates are:

Reserve Type	Volume Bscf (Billion standard cubic feet)
1P or Proved Volumes	14.9
2P or Proved plus Probable	170.2
3P or Proved plus Probable plus Possible	359.2
Contingent Resources	166.2

Note 1 Bscf approx 1.035 PJ

The initial independent certification has been completed by Netherland, Sewell and Associates Inc (NSAI), a Dallas based company which conducts reserves certification exercises for both conventional hydrocarbons and unconventional gas such as CBM. NSAI has extensive experience and have provided independent reserves certification for most of the current CSM projects in Australia.

The certification identifies a potential 525.4 Bscf of recoverable gas (3P plus contingent resources) from a mapped volume of approximately 1600 Bscf (1.6 Tscf) of gas in place.

The current exploration data, on which NSAI has based its assessment, covers only part of the Basin. As the exploration program is expanded, this should lead to additional areas being included in future reserves certification exercises.

Lucas and Molopo currently estimate the overall Gas-in-Place potential for the Basin to be in the range of 2.5-3.0 Tscf. It is anticipated that a reserves upgrade will be announced in late 2008 or early 2009 once further exploration results are available and the production performance from the recently expanded pilot (five new production test wells) are known.



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This certification represents a significant milestone for the project and confirms its economic potential. CBM projects traditionally commence with relatively low levels of 2P certified reserves (often significantly lower than these levels) and increase significantly over time as greater production confidence and additional data coverage are obtained.

The reserves estimates used in this statement were compiled by Mr. Dan Paul Smith and Mr. John Hattner of NSAI and are consistent with the definitions of Proved, Probable and Possible hydrocarbon reserves defined in the ASX Listing Rules. Messrs Smith and Hattner are full-time employees of NSAI, are qualified persons as defined under the ASX Listing Rule 5.11 and have consented to the use of the reserves figures in this announcement.

Issued by:

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Molopo Australia Limited is an ASX-listed gas producer focused on the development of coalbed methane and other on-shore gas projects. Molopo holds a 50% interest in several gas fields located in the Bowen Basin, Queensland, a 30% interest in CBM operations located in the Gloucester Basin, NSW, a 50% interest in a shale gas project in the USA, a 100% interest in a shale gas project in eastern Canada, 49% and 100% interests in two permits in the Clarence Moreton Basin, NSW, an interest in the Liulin CBM project in China, and a 100% interest in two South African projects.

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