



**TLOU ENERGY**

**AGM PRESENTATION**  
**25 October 2017**

A photograph of a herd of elephants in a dry, dusty environment. Several elephants are visible, with one in the foreground on the right and others behind it. The ground is dry and dusty, and the background shows sparse vegetation under a hazy sky. The text 'POWERING BOTSWANA' is overlaid in large, white, bold letters.

**POWERING  
BOTSWANA**

This presentation (Presentation) has been prepared by Tlou Energy Limited (Tlou). The Presentation and information contained in it is being provided to shareholders and investors for information purposes only. The information contained in this disclaimer does not constitute an offer, invitation or recommendation to subscribe for or purchase any security and neither the Presentation, disclaimer nor anything contained therein forms the basis of any contract or commitment. This Presentation does not take into account your individual investment objective, financial situation or particular needs. You must not act on the basis of any matter contained in this Presentation. This Presentation may contain forecasts and forward looking information. Such forecasts, projections and information are not a guarantee of future performance and may involve unknown risks and uncertainties. Shareholders and investors should undertake their own evaluation of this information and otherwise contact their professional advisers in the event they wish to buy or sell shares. To the extent the information contains any projections, Tlou has provided these projections based upon the information that has been provided to Tlou. None of Tlou or its directors, officers or employees make any representations (express or implied) as to the accuracy or otherwise of any information or opinions in the Presentation and (to the maximum extent permitted by law) no liability or responsibility is accepted by such persons.

## Summary information

This Presentation is a visual aid which will be used by representatives of Tlou to assist in investor and analyst presentations. It is not intended to be read as a stand alone document. This Presentation contains selected and abbreviated summary information about Tlou and its subsidiaries and their activities current as at the date of this Presentation. The information in this Presentation is of general background and does not purport to be complete. It is intended to be read by a sophisticated investor audience familiar with Tlou and the sector in which it operates and to be accompanied by a verbal presentation delivered by a representative of Tlou. It should be read in conjunction with Tlou's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), which are available at [www.asx.com.au](http://www.asx.com.au).

## ASX Releases

Investors are advised that by their nature as visual aids, presentations provide information in a summary form. The key information on detailed resource statements can be found in Tlou's ASX releases. Resource statements are provided to comply with ASX guidelines but investors are urged to read supporting information in full on the website.

## Past performance

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

## Future performance

This Presentation contains certain "forward-looking statements". Forward looking words such as, "expect", "should", "could", "may", "plan", "will", "forecast", "estimate", "target" and other similar expressions are intended to identify forward-looking statements within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Such forward-looking statements, opinions and estimates are not guarantees of future performance.

Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This Presentation contains such statements that are subject to known and unknown risks and uncertainties and other factors, many of which are beyond Tlou's control, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. Such forward-looking statements are relevant at the date of this Presentation and Tlou assumes no obligation to update such information.

## Investment risk

An investment in Tlou shares is subject to investment and other known and unknown risks, some of which are beyond the control of Tlou. Tlou does not guarantee any particular rate of return or the performance of Tlou. Persons should have regard to the risks outlined in this Presentation.

## COMPETENT PERSONS STATEMENT

The gas reserves and resource estimates for the Lesedi CBM Project provided in this presentation (refer slide 14) were released to the Market on 15 February 2017 (Announcement). Tlou confirms that it is not aware of any new information or data that materially affects the information included in the Announcement and that all of the material assumptions and technical parameters underpinning the estimates in the Announcement continue to apply and have not materially changed. The gas reserve and resource estimates are based on and fairly represents, information and supporting documentation and were determined by Dr. Bruce Alan McConachie of SRK Consulting (Australasia) Pty Ltd, in accordance with Petroleum Resource Management System guidelines. Dr. McConachie is considered to be a qualified person as defined under the ASX Listing Rule 5.42 and has given his consent to the use of the resource figures in the form and context in which they appear in this Presentation.



**MARKET**

ASX / AIM

**EPIC**

TOU / TLOU

**ISSUED SHARE CAPITAL**

~306M (ASX 54%, AIM 46%) / Fully Diluted ~311M

**MARKET CAP (23-Oct-17)**

AUD ~\$52M / GBP ~£31M

**CASH BALANCE (30-Sept-17)**

AUD ~\$5.3M

**NOMAD**

GRANT THORNTON UK LLP

**BROKERS (with Research)**SHORE CAPITAL STOCKBROKERS LIMITED (UK)  
OPTIVA SECURITIES LIMITED (UK)  
TAYLOR COLLISON LIMITED (Australia)**GEOLOGICAL CONSULTANT**

SRK CONSULTING (AUSTRALASIA) PTY LTD





**Martin McIver**  
**Chairman**

- Over 17 years experience in finance and mining services
- Currently CFO of the WorkPac group



**Gabaake Gabaake**  
**Executive Director**

- Geologist, former Botswana Permanent Secretary at Ministry of Minerals Energy & Water
- Former director of Debswana, De Beers



**Anthony Gilby**  
**MD & CEO**

- Geologist, over 30 years experience
- Co-founder & MD/CEO of Sunshine Gas. Taken over in 2008 for ~A\$1.1bn



**Hugh Swire**  
**Non-executive Director**

- BA Hons from Oxford, over 16 years experience in various roles
- Partner at Mahon China, former JP Morgan VP



**Colm Cloonan**  
**Finance Director**

- Accountant, over 17 years experience
- Worked in various Industries including Power Generation in Australia



**Linah Mohohlo**  
**Non-executive Director**

- Former Bank of Botswana Governor
- Director of both Debswana Diamond Company, Diamond Trading Company

## Management

**Solomon Rowland**  
**Company Secretary & Legal Counsel**

- Lawyer, over 16 years experience
- Juris Doctor from the University of Queensland

**Danny Horne**  
**Chief Operations Officer**

- 28 years in the drilling industry including 16 years in the Oil & Gas/CBM Sector
- Qualified in Diesel Engineering, Diploma of Drilling (Onshore Oil & Gas)

**Remigiyo Mavata**  
**Chief Geologist**

- Geologist with over 20 years African experience in multidisciplinary exploration in conventional and unconventional reservoirs
- Bachelor of Science in Geology from the University of Zimbabwe



4

## Who is Tlou Energy?

Gas-to-Power in Botswana



Market with huge demand

Supportive Government



1st mover advantage

Upstream environmental approval and Mining Licence in place

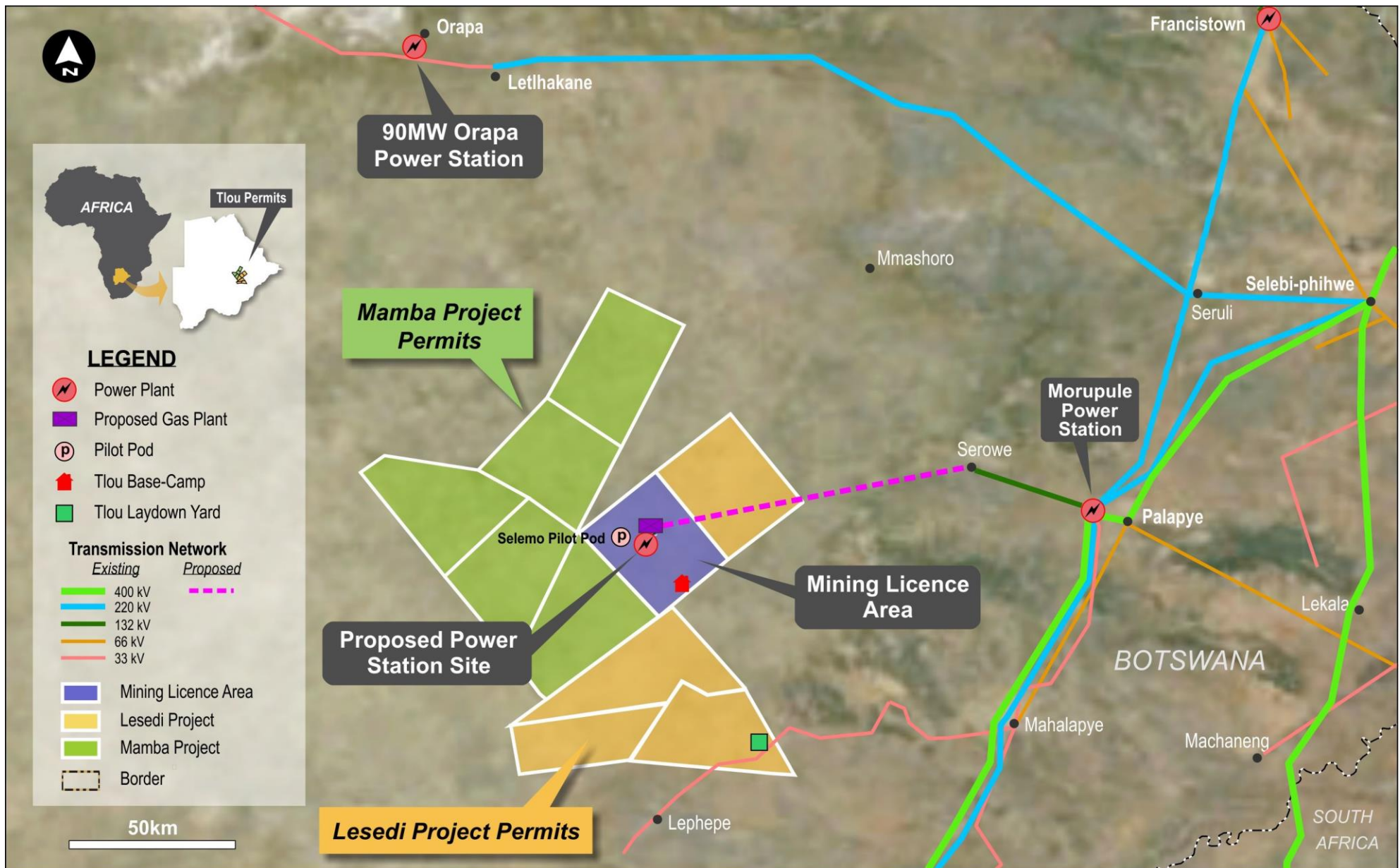
Significant Gas Reserves and Contingent Resources



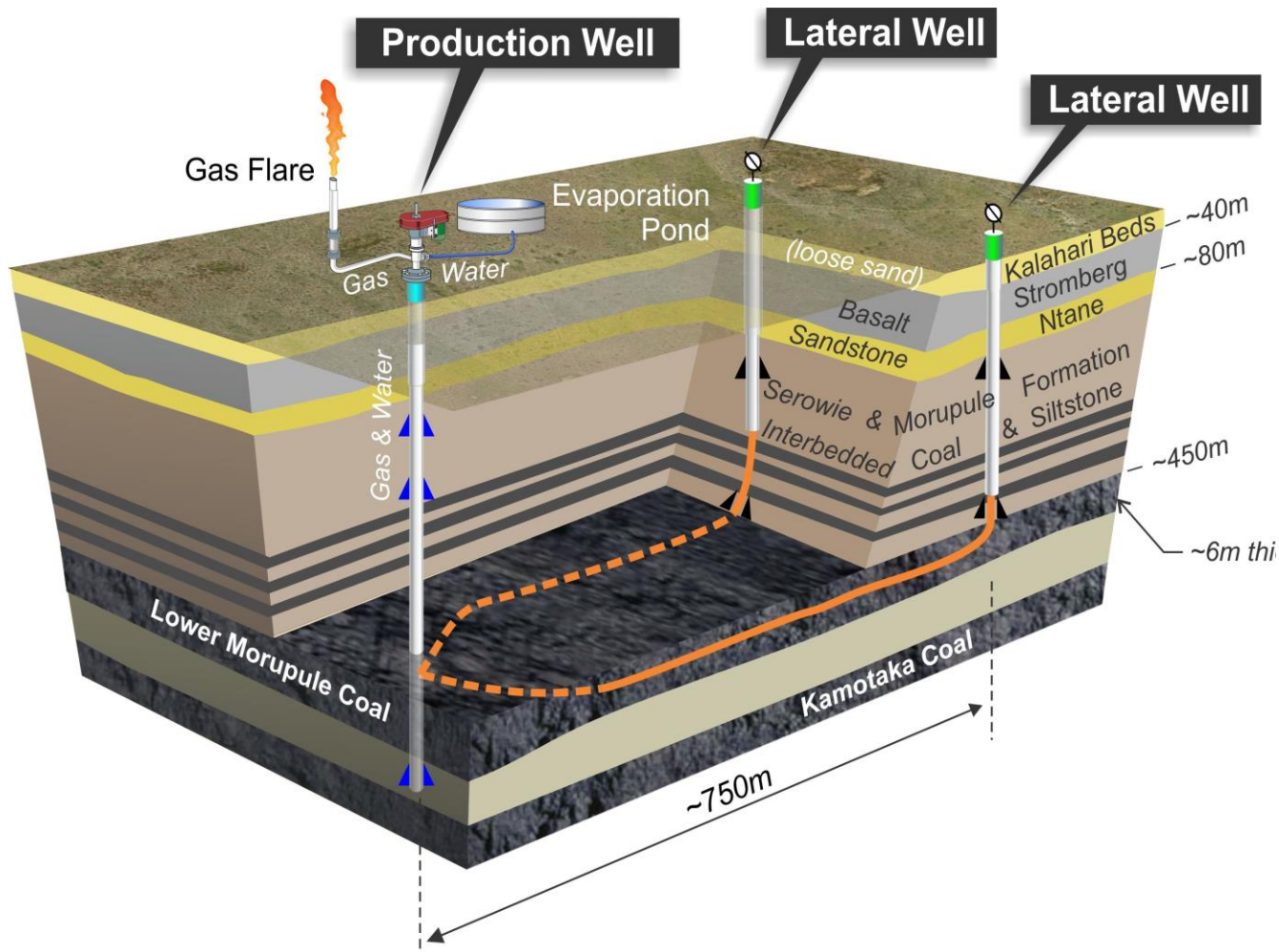
**TLOU ENERGY**

[www.tlouenergy.com](http://www.tlouenergy.com)

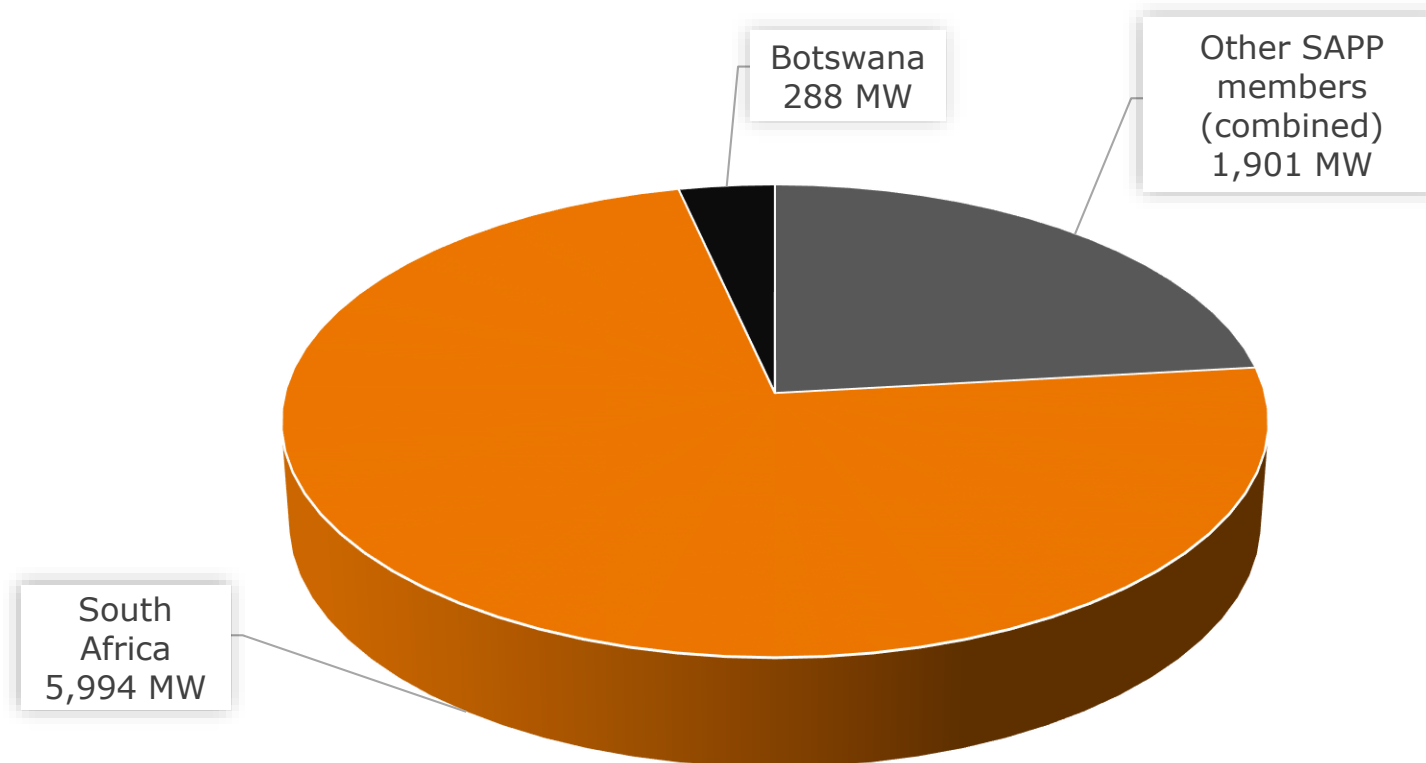
# Botswana Project Map



Proven technology to deliver CBM natural gas



## Southern African Power Pool (SAPP) Electricity Shortfall



Source: Botswana Power Corporation presentation at the 2016 Botswana Resource Sector Conference.  
Shortfall represents peak demand and reserves less operating capacity.

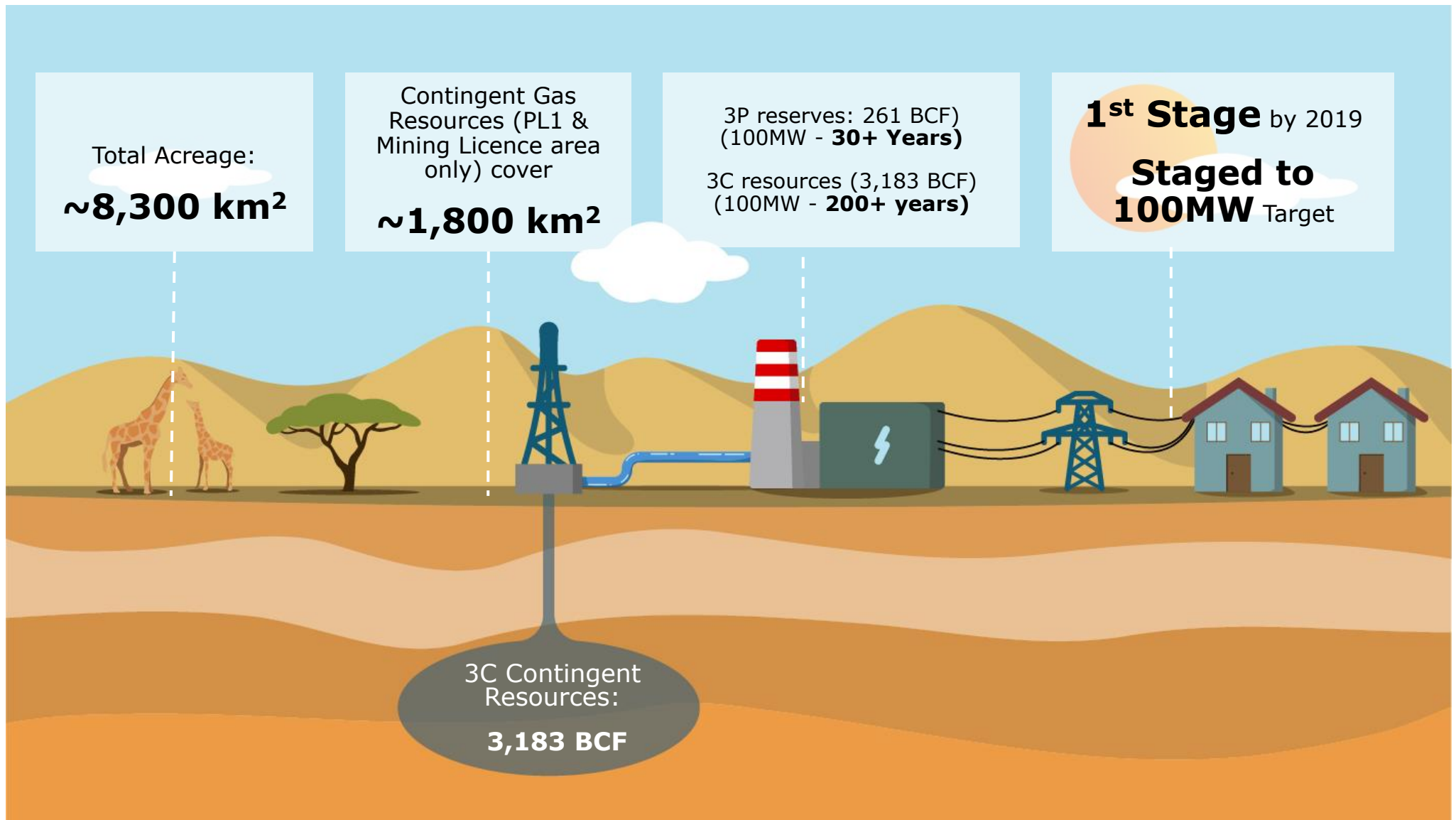


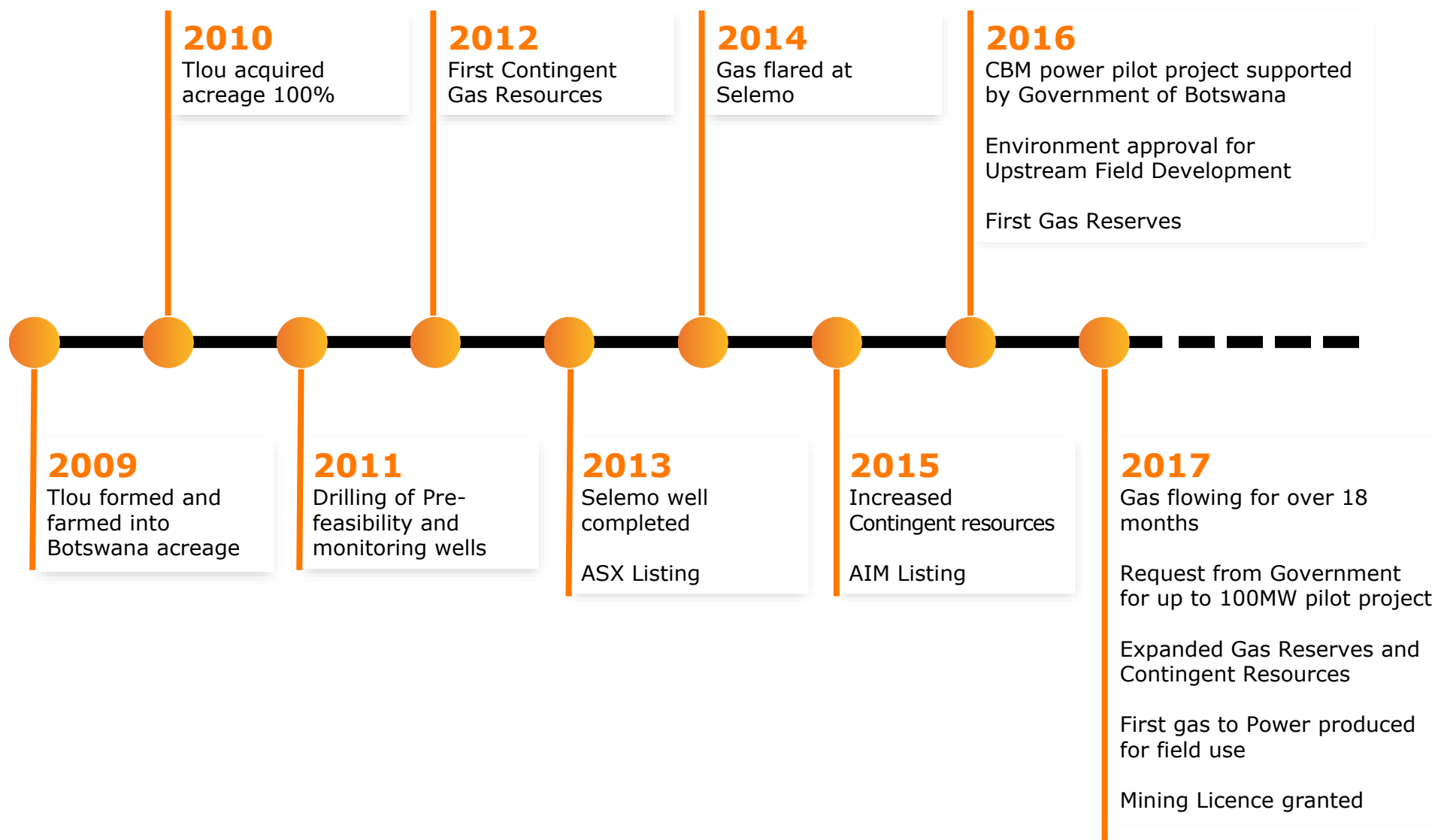


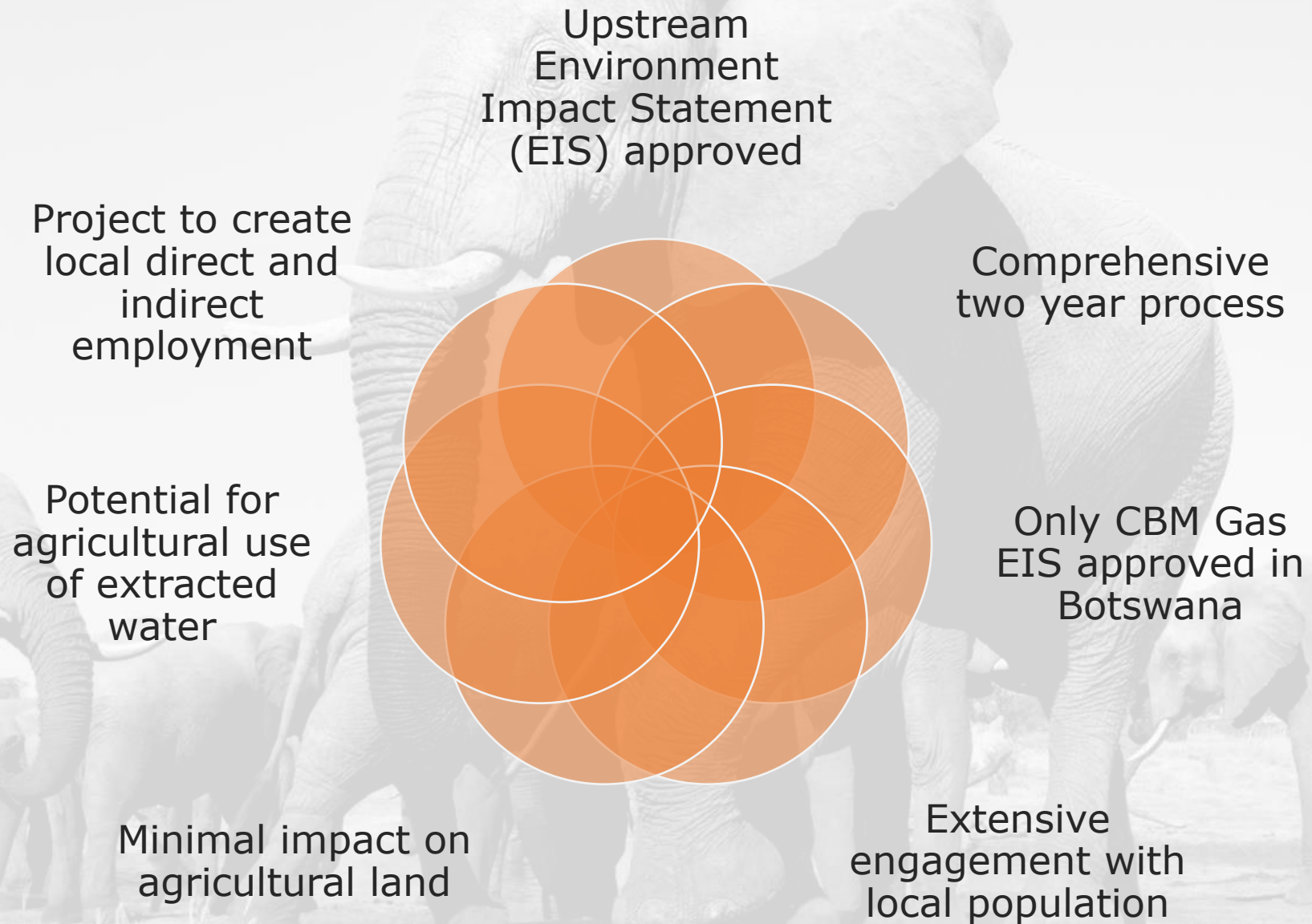
**TLOU ENERGY**

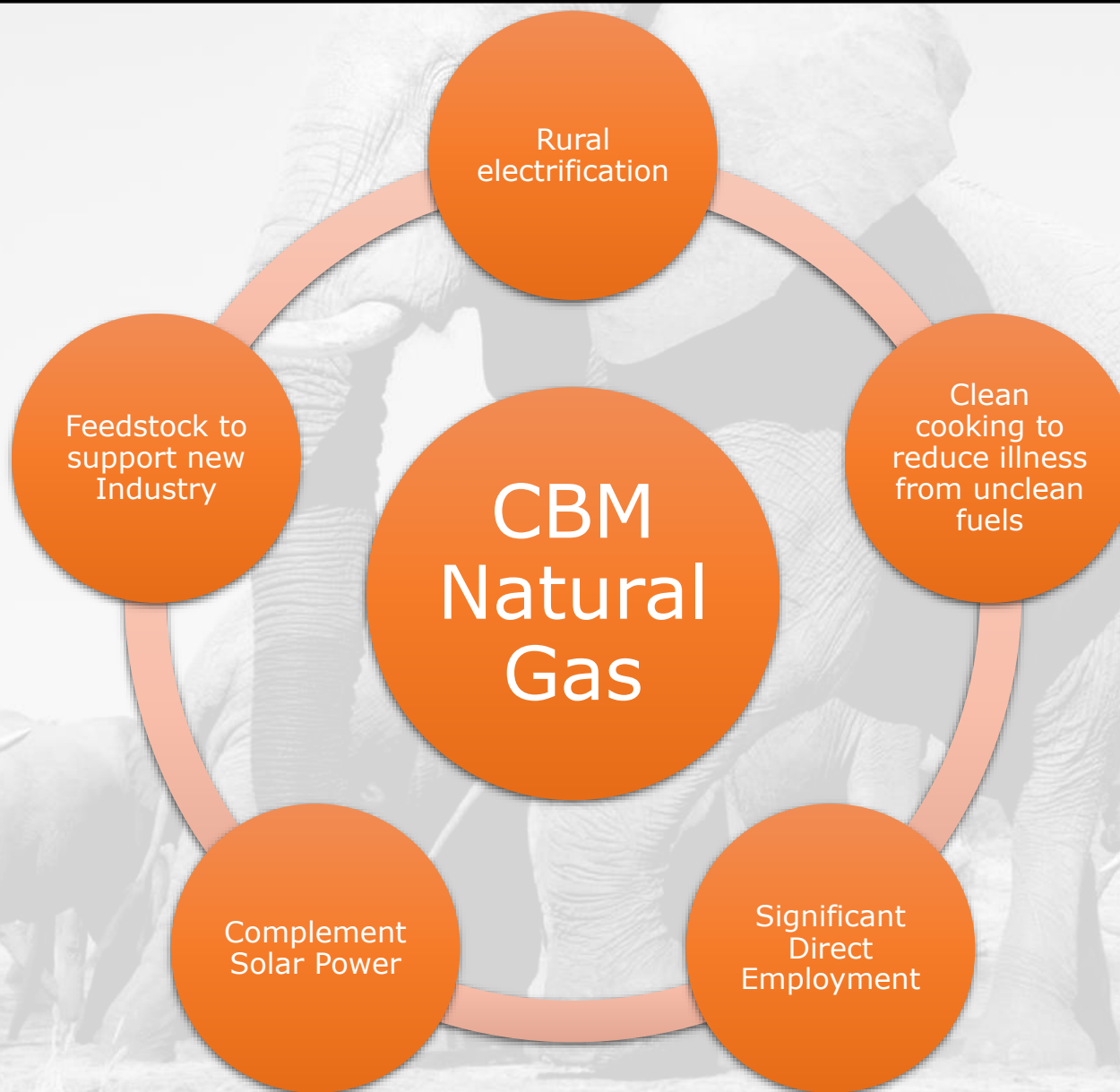
*...creating employment in  
Botswana since 2009*











**Q3 2017**

100MW Gas-to-Power project  
submission (RFP)



250 km Seismic survey to  
begin

**Q4 2017**

Seismic results and analysis



Core-well drilling

**Q1 2018**

Additional Reserves  
and Contingent Resources  
(subject to results)



Anticipated RFP reply from  
Government



## Independent Gas Reserves Certification<sup>(1)</sup>

**0.17  
BCF  
(1P)**

**3.9  
BCF  
(2P)**

**261.1  
BCF  
(3P)**

## Technical Fundamentals

Coal Depth

~350-800m

Gas Contents (Average)

~6 m<sup>3</sup>/t (DAF)

Gas compositions

~90% methane

| Location             | Project   | Tlou Interest | Gas Reserves <sup>(1)</sup> |          |          | Gas Contingent Resources <sup>(2)</sup> |          |          | Gas Prospective Resource (BCF) <sup>3</sup> |
|----------------------|---|---------------|-----------------------------|----------|----------|---|----------|----------|---|
|                      |   |               | 1P (BCF)                    | 2P (BCF) | 3P (BCF) | 1C (BCF)                                | 2C (BCF) | 3C (BCF) |   |
| Karoo Basin Botswana | Lesedi CBM (Lower Morupule coal) (PL002/2004)                     | 100%          | 0.15                        | 3.5      | 117      | 4.3                                     | 67.4     | 470      | -   |
| Karoo Basin Botswana | Lesedi CBM (all coal seams) (PL001/2004, PL002/2004) <sup>4</sup> | 100%          | 0.15                        | 3.5      | 117      | 4.3                                     | 235      | 3,183    | -   |
| Karoo Basin Botswana | Mamba CBM (Lower Morupule coal) (PL238/2014, PL240/2014)          | 100%          | 0.02                        | 0.4      | 144      | n/a                                     | n/a      | n/a      | -   |
| Karoo Basin Botswana | PL003/2004, PL035/2000, PL037/2000                                | 100%          | -                           | -        | -        | -                                       | -        | -        | 8,596 <sup>6</sup>                          |

### Notes:

Gas Resource numbers have been rounded to the nearest tenth for amounts less than 100 BCF, otherwise to the nearest whole number. Refer to Competent Persons Statement in the disclaimer slide of this presentation.

1) Tlou's Gas Reserves have not been adjusted for fuel or shrinkage and have been calculated at the wellhead (which is the reference point for the purposes of ASX Listing Rule 5.26.5).

2) Contingent Gas Resources are (100%) Unrisked Gross and are derived from the SRK certification at 31 March 2015 for all coal seams (as previously announced by Tlou on 9 April 2015) with adjustment for the gas volumes which have now been certified by SRK in the Gas Reserves category.

3) ASX Listing Rule 5.28.2 Statement relating to Prospective Resources:

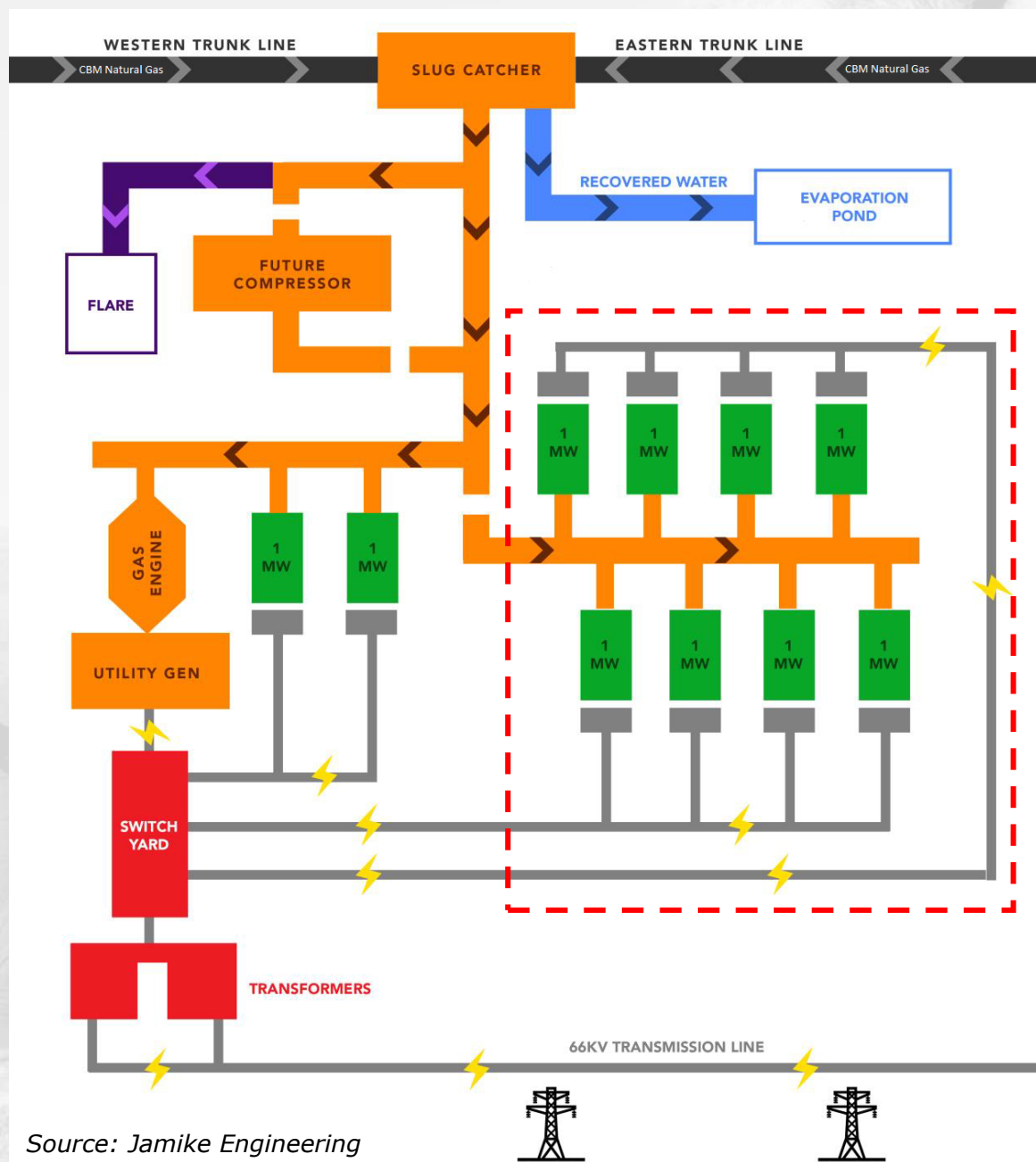
The estimated quantities of petroleum gas that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

4) The Gas Reserves and Contingent Gas Resources for all coal seams in PL001/2004 and PL002/2004 shown in the second row of the table above includes the numbers for the Lower Morupule coal seam which are shown in the first row of the table above

5) The most recent Reserves assessment by SRK did not include a review and assessment of Contingent Resources in the Mamba Project area.

6) Prospective Gas Resources are (100%) Unrisked Gross and are derived from a report to Tlou from Netherland, Sewell and Associates Inc (NSAI) dated 16th February 2012 regarding certification for all coal seams located in the remaining prospecting licences (as previously announced by Tlou in its prospectus dated 20 February 2013).





Source: Jamike Engineering

## Stage 1A

- Initial 2MW Grid Connection

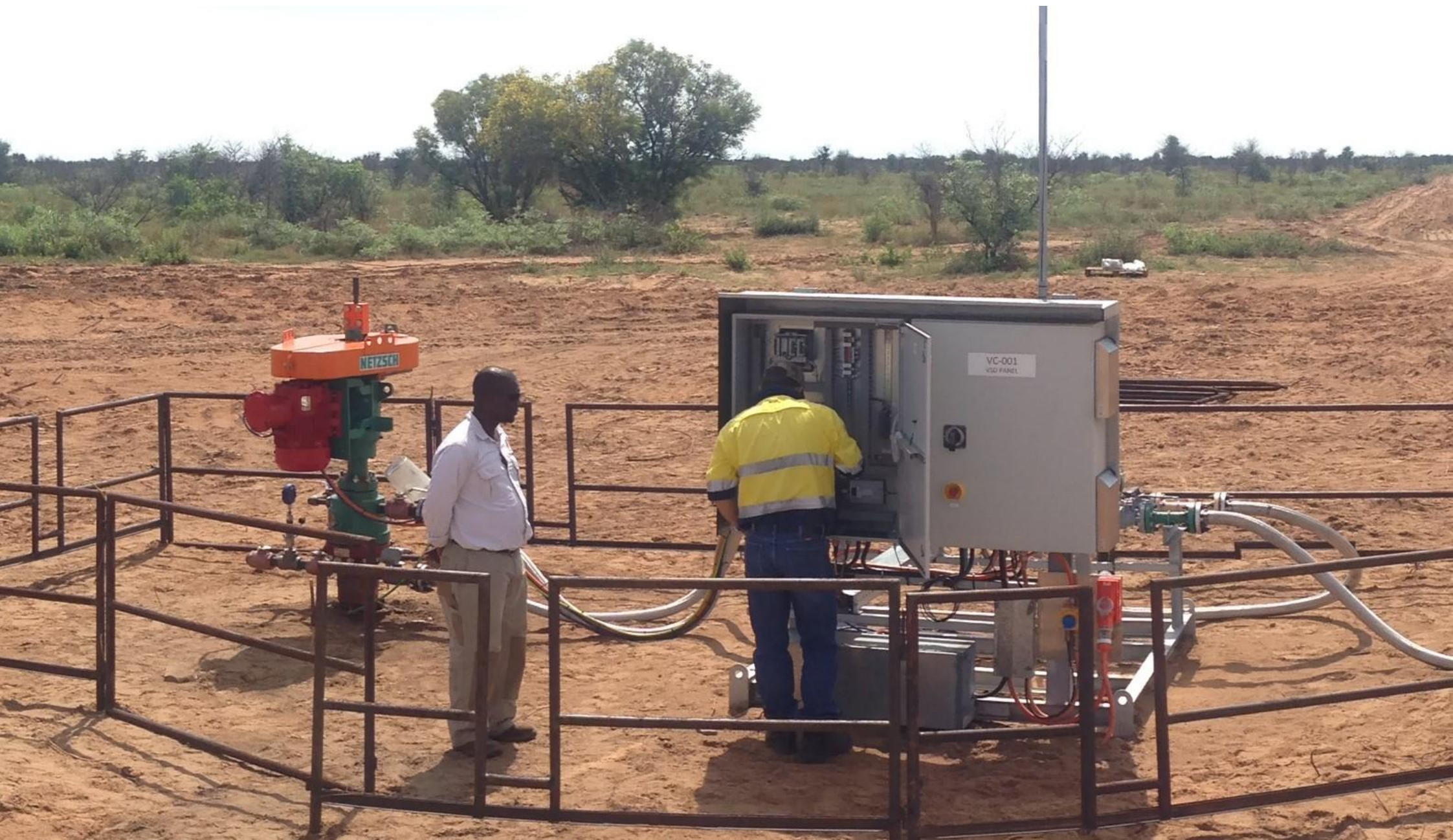
## Stage 1B

- 8MW Expansion  
(expansion shown in dotted red box)



**TLOU ENERGY**

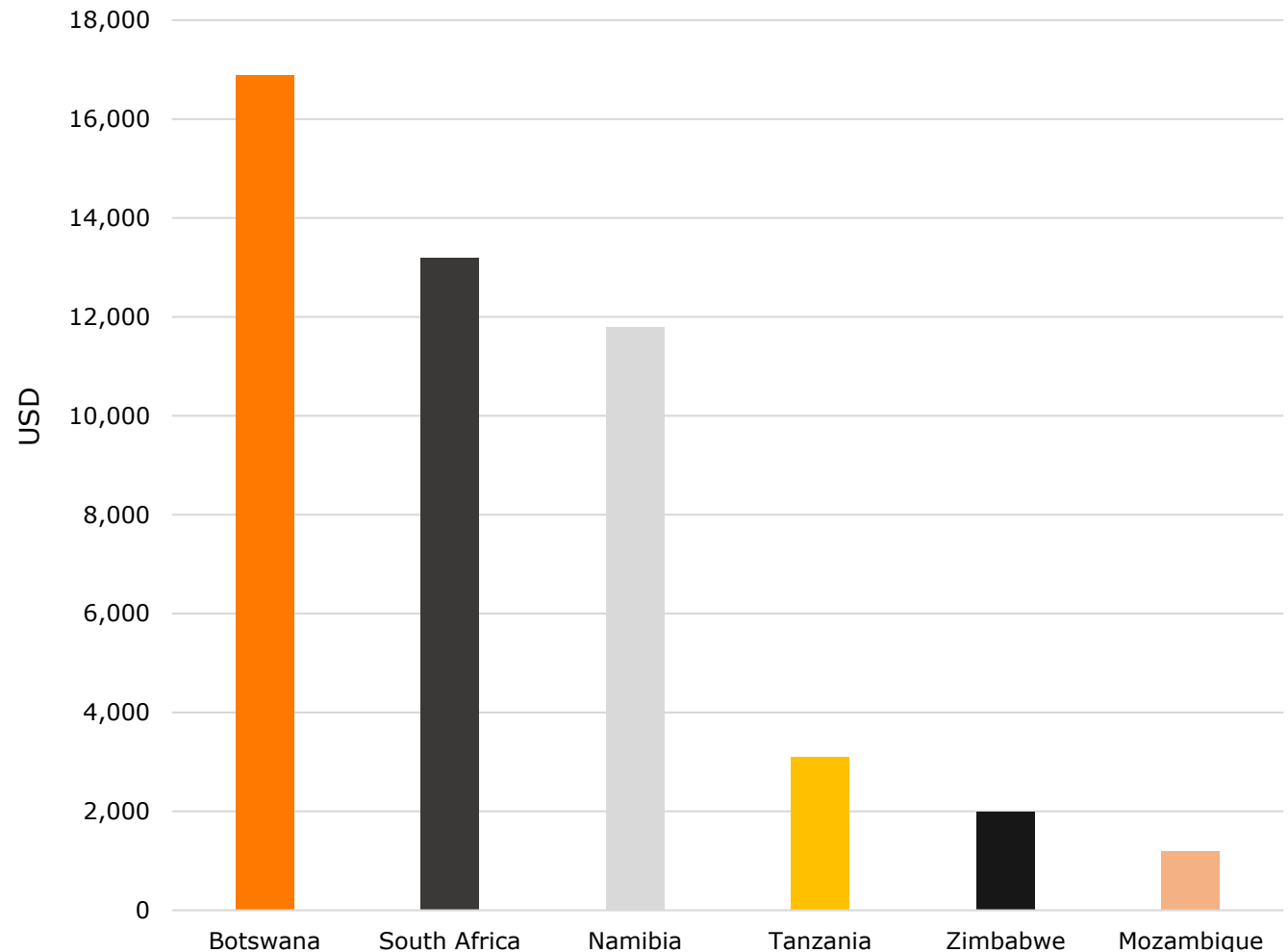
*... generating Power from  
CBM in Botswana*



# 17 Botswana - Leading Economy in Sub-Saharan Africa

- Favourable Environment for Resource Investment
- Large Diamond exporter
- Large Beef/Tourism industry
- Growing economy
- Stable, democratic government
- No Foreign exchange controls
- No "BE" or Ownership restrictions
- Botswana ranks as one of the best credit risks in Africa

**GDP per Capita Comparison\***

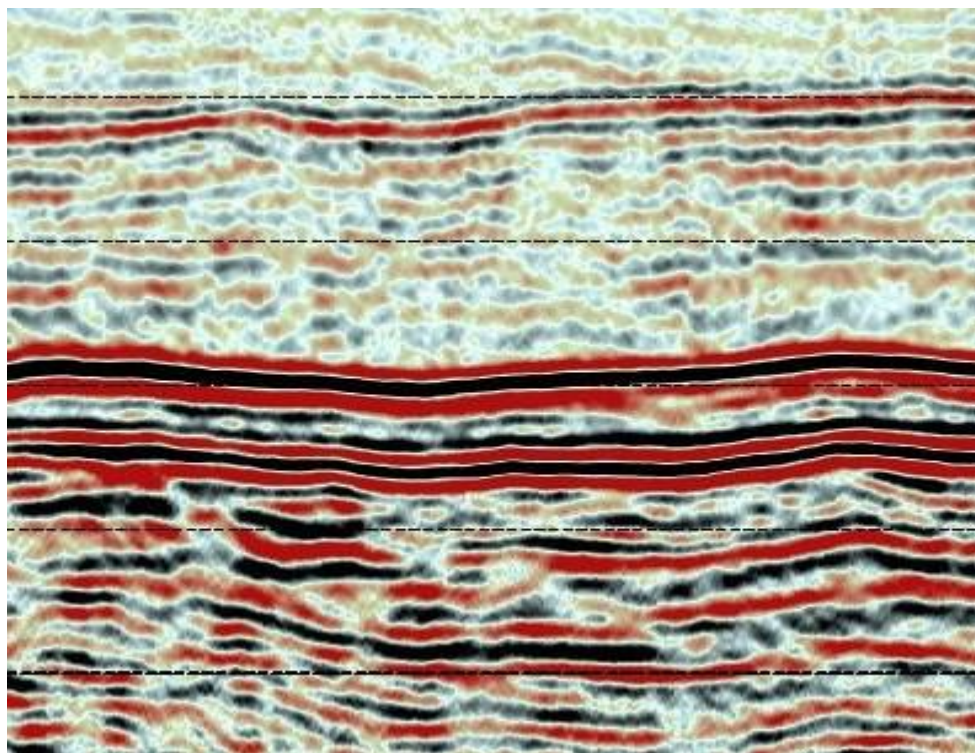


\*Source: The World Factbook – [www.cia.gov](http://www.cia.gov)





## Preliminary processed seismic line extract & interpreted top of coal



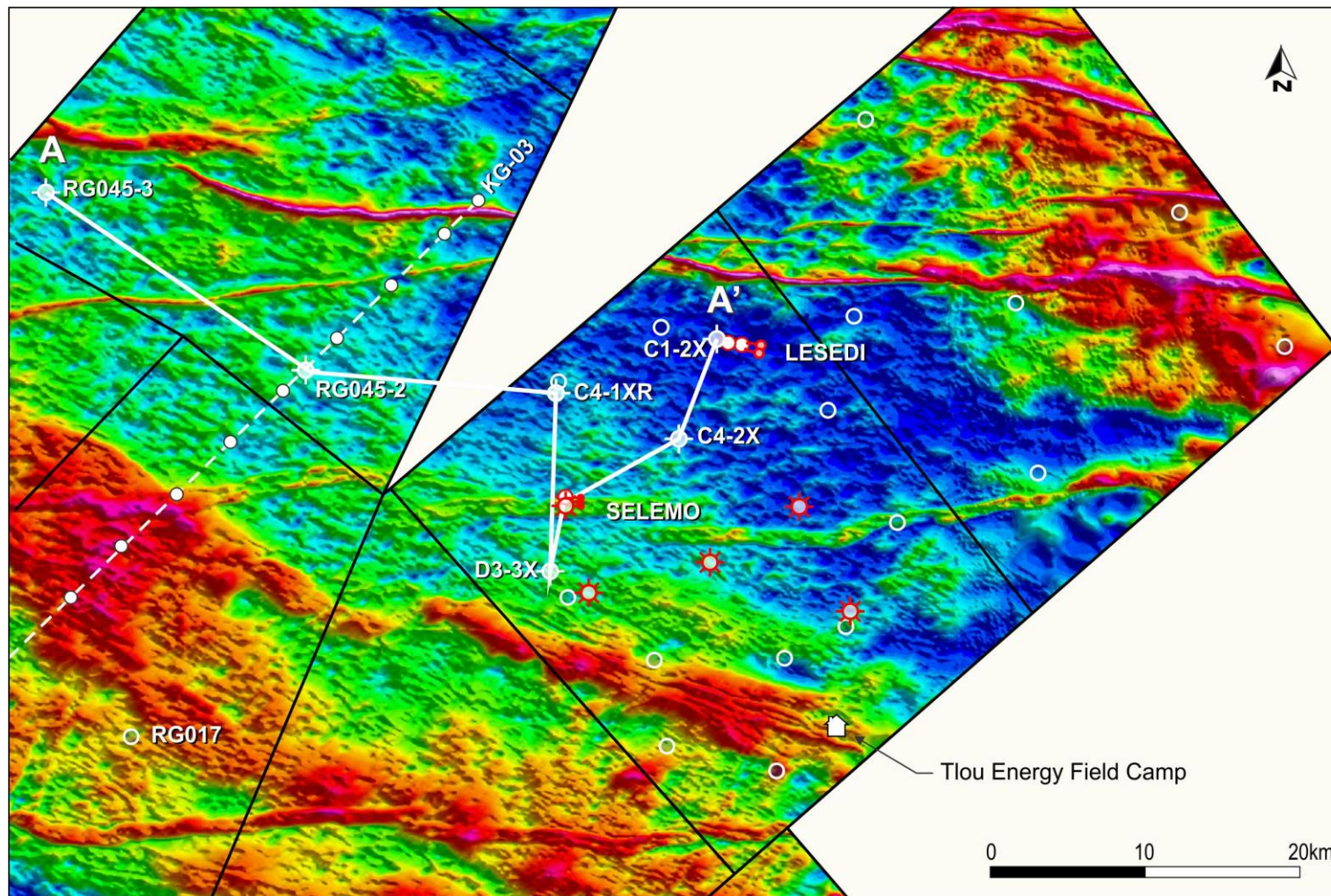
~Basalt

~Top of coal section

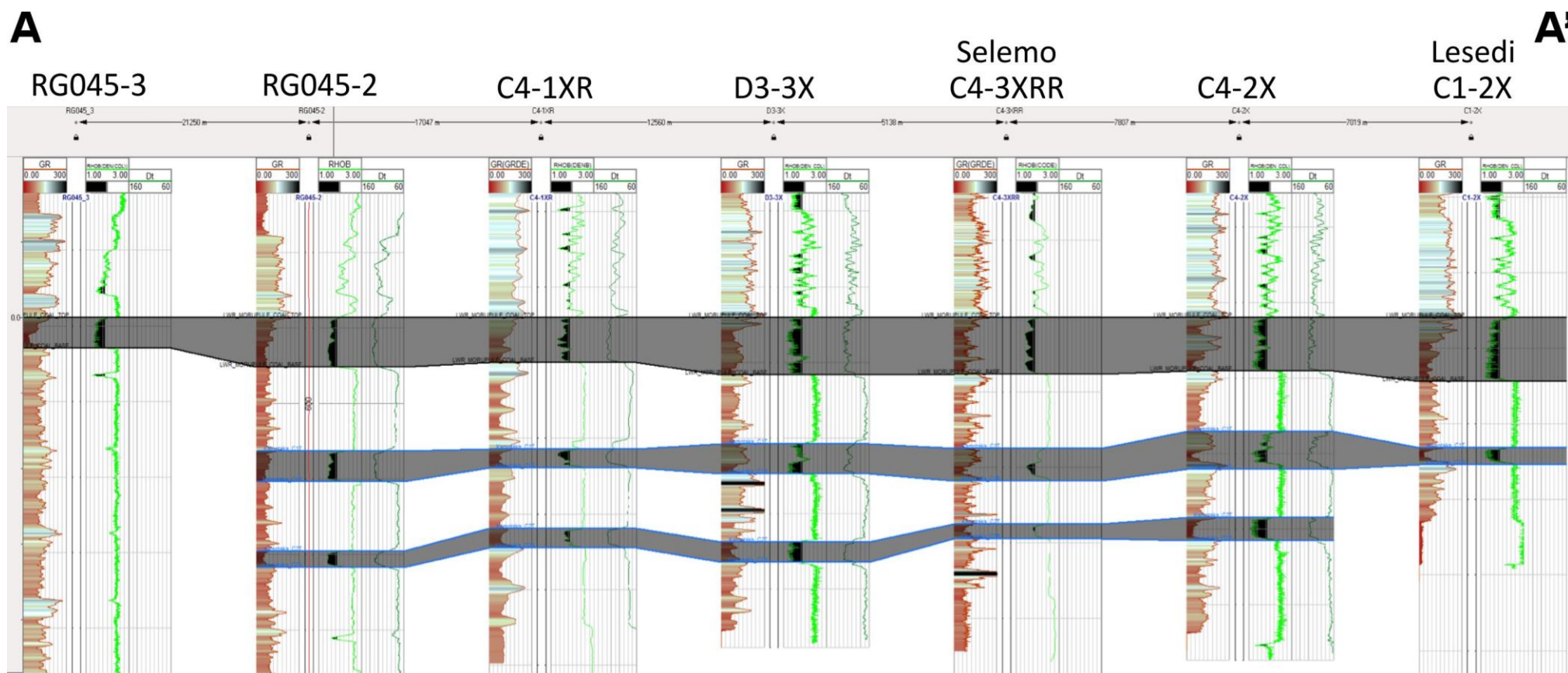
- Excellent quality data being obtained
- Results may expand Gas Reserves and Contingent Resources
- Data will assist in selection of area for first phase of project development



## Aeromagnetic Data



## Cross-Section





## Independently Certified Gas Reserves & Contingent Resources



**Huge electricity market**



**Supportive government**



**Low cost drilling**



**Significant CBM experience**



**Mining licence granted**



**Providing power for Botswana in 2019 and beyond**



**Tlou Energy Limited**

210 Alice St  
Brisbane  
QLD 4000  
Australia  
+61 7 3012 9793

Ground Floor, Victoria  
House  
132 Independence  
Avenue  
Gaborone  
Botswana  
+267 316 0857

[www.tlouenergy.com](http://www.tlouenergy.com)  
[info@tlouenergy.com](mailto:info@tlouenergy.com)

ASX: TOU  
AIM: TLOU



**TLOU ENERGY**