

TLOU ENERGY LIMITED

15 February 2018

Tlou Energy Limited**("Tlou" or "the Company")****100 MW Request for tender debrief meeting**

Tlou Energy Limited, the company focused on developing Gas-to-Power projects in Botswana and southern Africa through the development of coal bed methane ('CBM') natural gas, met with the Ministry of Mineral Resources Green Technology and Energy Security ('the Ministry') for an update on the cancellation of the Request for Proposal ('RFP') for development of up to 100MW of CBM fuelled power plants in Botswana and the planned re-tender of the RFP to the original bidding companies, including Tlou.

The RFP was issued in early 2017 and Tlou submitted a detailed response to the Ministry in September 2017. Tlou's submission outlined a staged development commencing with up to 10MW of generation as well as outlining project feasibility, proposed field development, installation of power generation facilities and supply of power into the grid in Botswana.

The Company received correspondence this week that the tender has been cancelled and met with the Ministry to understand why the original tender was cancelled and how a proposed re-tender would be conducted. This was a constructive discussion with engagement from the Ministry as to how best to address their concerns with the original Tlou tender.

The Ministry outlined that neither of the bids received had met their compliance requirements and detailed the areas where bids were non-compliant. The non-compliant areas were discussed, and it was clear that most of them could not be complied with, as the requirements could only be met by a party that was already in commercial operation.

Following the meeting, the Company believes that the Ministry is amenable to amending the tender document as required. The Company will write to the Ministry this week to respond to all compliance matters raised. The Company will also suggest that the Ministry consider establishing a separate process for a smaller pilot project without the necessity for a long tender process. Once this pilot project is successfully operating, it could then lead to a re-tender in line with the Ministry's current plan.

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The Company is confident that a favourable outcome can be achieved due to the good working relationship with the Ministry and the eagerness on both sides to get the CBM industry up and running in Botswana.

Alongside this process, the Company will continue its efforts of connecting to the Botswana power grid and securing other off-takers regionally, who can be supplied via the South African Power Pool.

****ENDS****

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TLOU ENERGY LIMITED**Company Information**

Tlou Energy is focused on delivering Gas-to-Power solutions in Botswana and southern Africa to alleviate some of the chronic power shortage in the region. Tlou is developing projects using coal bed methane ("CBM") natural gas. Botswana has a significant energy shortage and generally relies on expensive imported power and diesel generation to fulfil its power requirements. As 100% owner of the most advanced gas project in the country, the Lesedi CBM Project, Tlou Energy provides investors with access to a compelling opportunity using domestic gas to produce power and displace expensive diesel and imported power.

The Company is listed on the Australian Securities Exchange, London's AIM market and the Botswana Stock Exchange and is led by an experienced Board, management and advisory team including individuals with successful track records in the CBM industry.

Since establishment, the Company has significantly de-risked the project in consideration of its goal to become a significant gas-to-power producer. The Company flared its first gas in 2014, holds a Mining Licence and nine Prospecting Licences, covering an area of ~8,300Km² in total, and the Lesedi Project already benefits from significant independently certified Contingent Gas Resources of ~3.2 trillion cubic feet (3C) and independently certified Gas Reserves of ~261 billion cubic feet (3P).

The Company is planning an initial scalable gas-to-power project. Following successful implementation of this first scalable project, the Company plans to expand to provide further power across the southern African region.

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