

Chairman's address - AGM

It gives me great pleasure to deliver the Chairman's address at Tlou's fifth AGM as a listed entity.

The past year has been an exciting one for Tlou, with the company hitting a number of significant milestones which will help us to reach our future goal of being the first CBM project in Botswana to move into production.

Tlou's primary focus over the years has been on developing the Botswana Lesedi CBM project including completing a 250km seismic survey and a program to drilling a number core wells, this work contributed to a significant upgrade of reserves in February 2018. Additional field development work is also currently underway with the first of the new pilot production wells being spudded last night. These new wells will be drilled into early 2019 and are situated close to Tlou's proposed central processing facility to optimize future development activities.

We will commence production testing of the pilot wells once completed, while concurrently working on the next steps in the Lesedi CBM project's development plan. We remain committed to building shareholder wealth through progressing the Lesedi CBM project towards production.

Tlou is excited by the development of a CBM gas industry in Botswana. The establishment of this industry will not only help the country manage the current energy shortage it faces but will also provide a new industry, and associated employment. CBM will create an alternative and cleaner energy source for the country and its citizens.

Finally and most importantly, I would like to take this opportunity to recognise the continuing support of our shareholders, without whom our project would not be possible.

Thank you.