



**Tlou Energy Limited**

## Tlou's Gas and Solar Power Solution

Cleaner energy vision for Botswana and beyond



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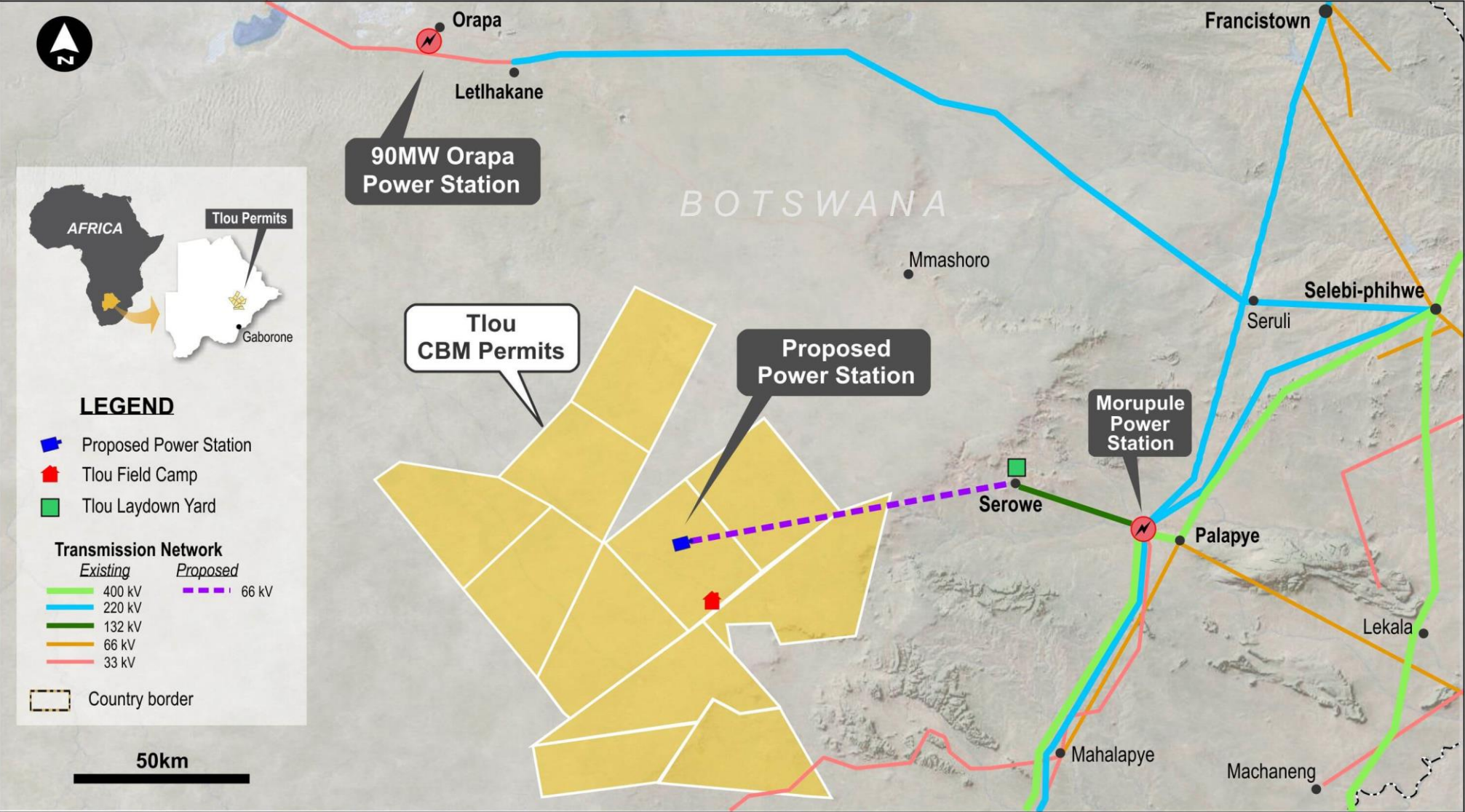
## About Us

Tlou Energy has operated in Botswana for over a decade. Our power project vision can underpin a cleaner, sustainable and secure energy future for Botswana

### Cleaner Energy in Sub-Saharan Africa

- In addition to a standalone Gas-to-Power project, a power solution combining solar with Tlou's existing gas is proposed
- Gas can be the "battery" to support solar
- Environmental approval for 20MW of gas-fired power and 20MW of solar achieved
- Environmental approval for a 66kV transmission line grid connection achieved
- Access to abundant land for solar expansion

# Location



*Tlou's cleaner energy power project is planned to be connected to the existing electricity network at Serowe*



Tlou Energy Limited



## Gas and Solar - Advantages

A number of advantages are associated with Tlou's gas and solar hybrid solution compared with alternative clean-energy strategies

- The Tlou approach is unique in Botswana
- Offers potential 24-hour baseload and peaking power compared to stand-alone solar
- Combining gas and solar creates an enormous expansion opportunity
- Solar can compliment gas generation as the project grows
- Tlou's objective is to supply much cleaner energy than the main alternatives currently available
- Along with gas, solar will also be a high priority for the Company going forward
- Project funding is currently under negotiation with potential partners

# Board



**Martin  
McIver**

Non-Executive Chair

20 years experience in finance  
and mining services



**Gabaake G.  
Gabaake**

Executive Director

Geologist, former Botswana  
Permanent Secretary at  
Ministry of Minerals Energy &  
Water



**Colm  
Cloonan**

Finance Director & CFO

Finance professional;  
20 years experience including  
power generation in Australia



**Anthony (Tony)  
Gilby**

MD / CEO

MD or Director of public  
companies for ~20 years;  
Co-founder Tlou Energy;  
BSc (Hons 1)



**Linah  
Mohohlo**

Non-Executive Director

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



**Hugh  
Swire**

Non-Executive Director

Worked in China for 10 years  
including solar sector selecting  
premium solar suppliers for UK  
market;  
Former JP Morgan VP



# Power issues in Southern Africa



## **A Changing Environment**

Momentum towards cleaner energy to prevent environmental degradation



## **Over-reliance on Carbon Intensive Power**

Existing electricity is produced largely from carbon intensive coal and diesel



## **Power Deficits**

Regional power supply is currently unable to meet demand



## **Solar Needs Gas Support**

Gas provides ideal baseload and peaking support for solar

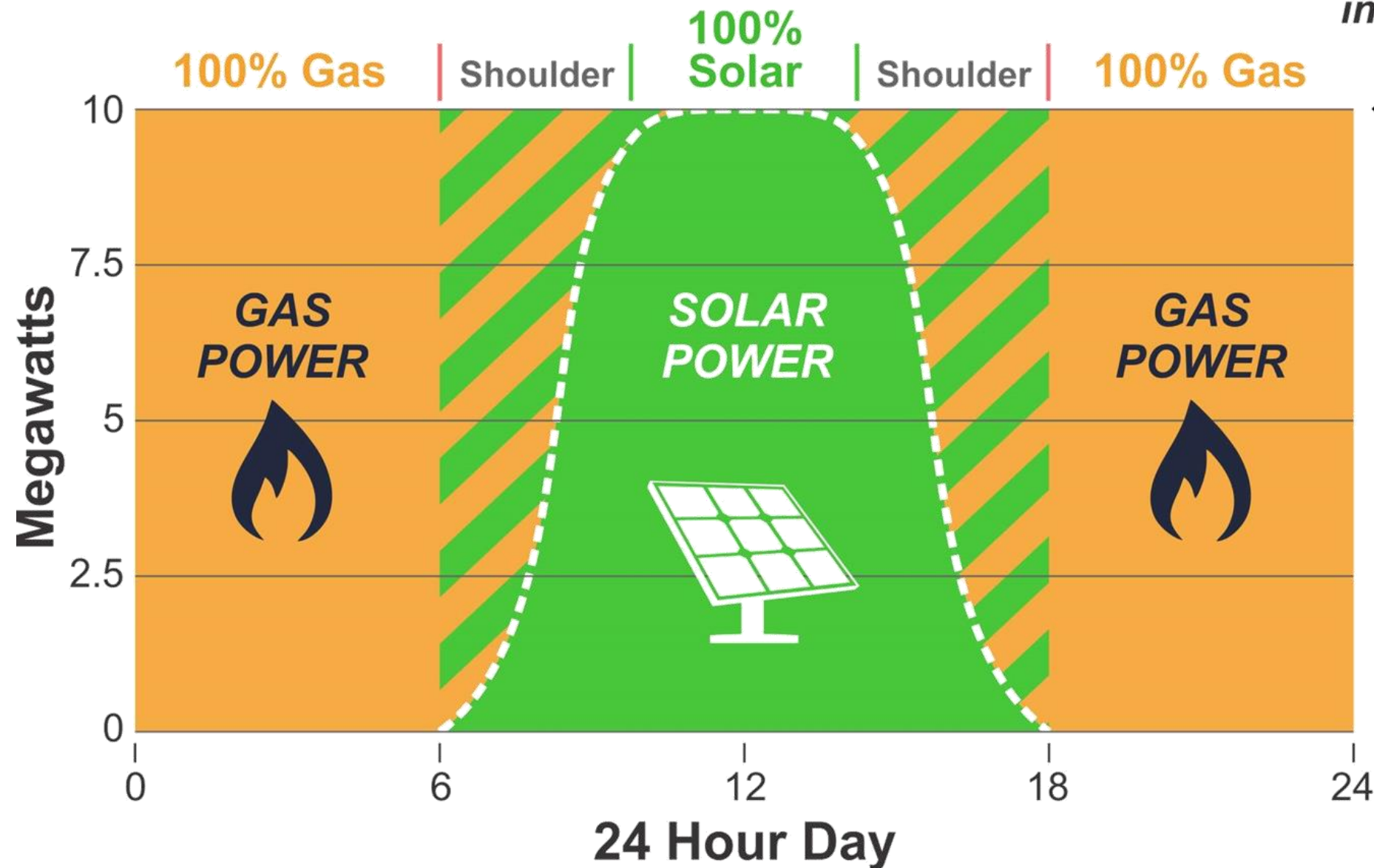


## **Grid Stability**

Solar projects need to be scalable and have flexibility to maintain grid stability



# Tlou's Hybrid Gas and Solar Power Solution



Up to 10MW  
initial target

Unlike stand-alone solar projects, Tlou's solution combining gas and solar can provide baseload and peaking power when the sun is not shining

# Project Details

## Ready to Go

- Tlou's initial gas-to-power generation project is ready to go subject to final approvals and Project Finance

## 'Battery' Back-up

- Cleaner baseload and peaking power to be provided by gas when solar is not available
- Gas development already in progress

## Pathway to Revenue

- First electricity sales ~12 months from transmission line commencement
- Infrastructure will be scalable to 25+MW

## Optimum Location

- Botswana is an ideal location to base a solar power project
- Abundance of sunshine
- Supportive government

## Scalable Solution

- Solar power has virtually unlimited potential to benefit Botswana
- Tlou's project is scalable which negates grid stability and initial cost issues

# Huge Social and Economic Benefits



## Powering Botswana's communities

Other potential benefits of Tlou's project include:

- Allowing farms and communities to become more productive using reliable and cleaner power. Very supportive local stakeholders
- Facilitating clean cooking by reducing the need to burn wood as the affordable electricity network grows
- Enhancing energy security for Botswana
- Upskilling Botswana's workforce
- Diversification of the economy
- Government revenue generation by broadening tax base, earning royalties and ultimately exporting power
- Facilitating foreign investment, bringing new sources of development capital to Botswana and driving employment creation and related improved livelihoods

# Environmental, Social and Governance

*In addition to the direct benefits from Tlou's projects, the Company supports various groups to enhance the lives of the local population and regional communities*

## Moralane

### ❖ Village Community Development Initiative

- Consultation with local village and other stakeholders to identify:
  - Job Creation
  - Poverty Eradication
  - Youth Empowerment
- Development of entrepreneurial business ventures founded on local skills and supported by resources that are easily available in the locality

## Y-Care

### ❖ Charitable Trust

- Non-profit organization raising funds for less privileged communities and individuals
- Funds channeled through NGO's working with:
  - Youth / Children
  - Health
  - Environment
  - Arts and cultural issues



# Environmental, Social and Governance continued

## Broadcasters Organisation

- ❖ Youth organisation, to promote academic excellence in primary schools
- 300 primary schools working with the organisation
- Destiny Shapers National Awards (DSNA), annual event aimed at promoting academic excellence among students and teachers



## Sandvelt Farmers

- ❖ Western Sandvelt Farmers Association
- Local group aiming to establish sustainable business in the region close to Tlou's projects
- Tlou to supply electricity and water to potentially accommodate a:
  - Health clinic;
  - Police station;
  - Wildlife (anti-poaching) post;
  - School for early childhood development;
  - Abattoir

# Market Opportunity



## 600+ MW

- Current power demand in Botswana alone
- Botswana's electricity is currently produced from either high CO<sub>2</sub> emitting coal or diesel, or provided by expensive and unreliable imported power
- Regional electricity demand is very high
- Local and regional demand for cleaner energy is enormous



## \$100+ m

- Estimated cost of imported power to Botswana annually
- Environmental cost of coal and diesel fired generation potentially far more expensive
- Move to cleaner power is vital for sustainability and to attract foreign investment



# Project Participants & Regional Issues

## Tlou and Project Partner

- **Tlou Energy has been a cleaner energy pioneer**
  - Invested over \$50million to date to develop gas as a cleaner base load and peaking power generation source
  - Combining solar with gas to further satisfy huge demand for cleaner energy
  - Has the experienced team in place to make it happen
  - Well known within Botswana's investment community
- **"EPC Solar" Project Partner**
  - "EPC Solar" is an experienced and internationally recognised advisor to help develop and implement Tlou's solar plan



## Regional Issues

- Most solar projects in the region lack baseload support and supply flexibility so threaten grid stability
- True cost of coal not being acknowledged
- High reliance by Botswana on power imports from South Africa create systemic energy security issues for Botswana
- Lack of a regional cleaner power plan is holding back foreign investment



# Growth Strategy

## Scalable Cleaner Energy Solution

### Phase 1

- Conclude Project Finance
- Build a 66kV power line ready for grid connection
- Installation of pilot generation assets while obtaining any outstanding solar approvals
- Start producing electricity and generating revenue

### Phase 2

- Integration of solar with gas fired 'battery' generation to provide 24-hour cleaner energy
- Rapid expansion up to 10MW then 25+MW of integrated power using proposed 66kV Phase 1 grid connection

### Phase 3

- Expansion to 100+MW possible
- Aim to play a pivotal role in transforming Botswana into a cleaner energy producer and power exporter

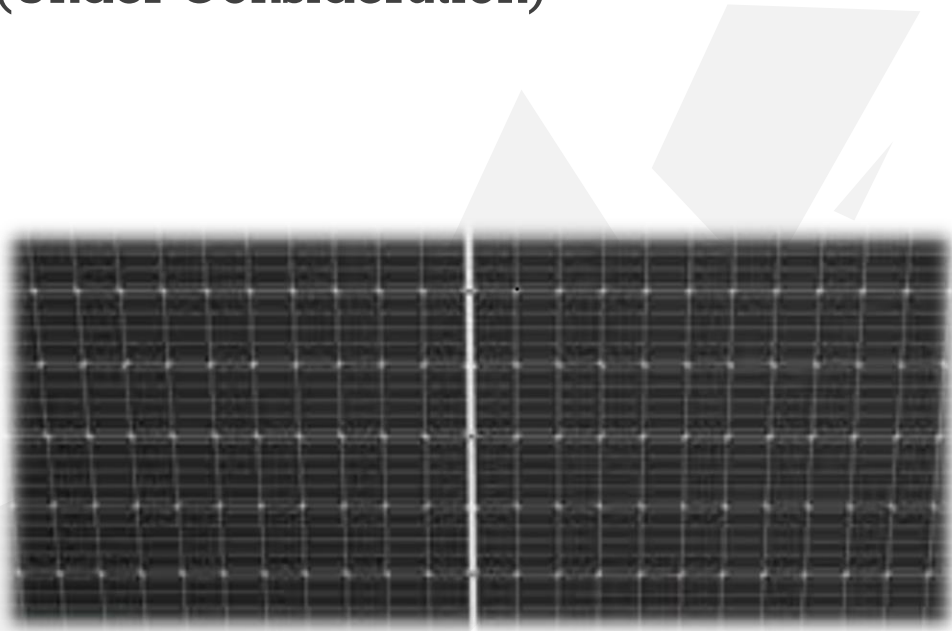


# Solar Technical Overview

*In conjunction with our advisors, various solar panels are being considered for use in the project*

## Trina Solar Panels

(Under Consideration)



## Specifications

- Duomax half-cell dual glass 72 layout module
- Monocrystalline
- 380-410W power output range
- 20.2% maximum efficiency
- Low thermal coefficients for greater energy production at higher temperatures
- Reduced energy loss caused by shading between modules
- Fully certified and warranted



# Cleaner Energy

Powered by Tlou Energy

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

## Tlou's cleaner energy solution

- ✓ Tlou Energy is planning a combined gas “battery” and solar power generation solution
- ✓ A unique cleaner energy project for Botswana
- ✓ Once the project is up and running, aiming to expand to 25+MW
- ✓ Access to abundant land for expansion
- ✓ Significant potential Environmental, Social and Economic benefits for Botswana
- ✓ Supportive stakeholders, investors and government
- ✓ Enormous upside for Tlou and the region



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17