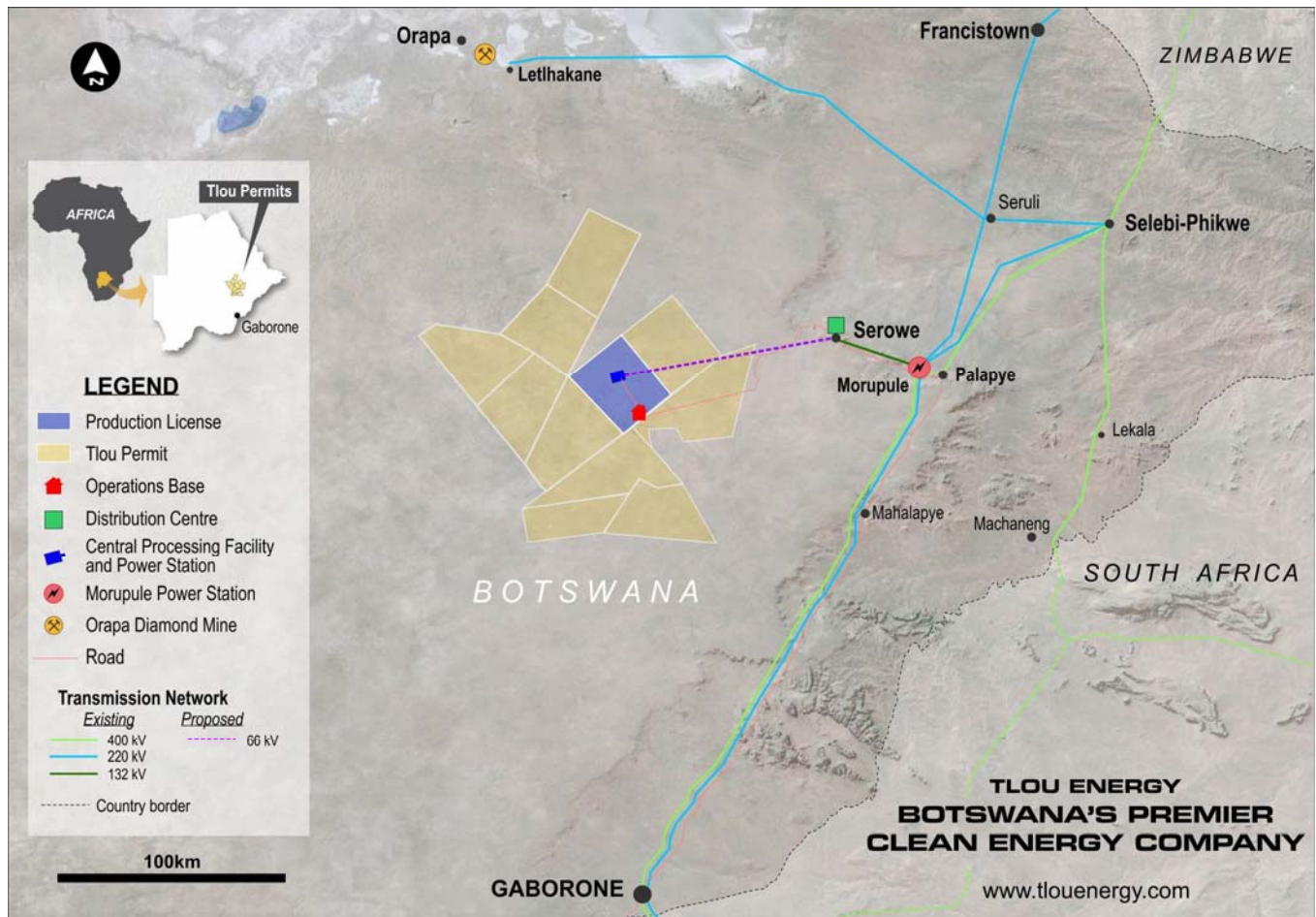


25 October 2021

Tlou Energy Limited
("Tlou" or "the Company")

Operational Report - Quarter ending 30 September 2021

Tlou Energy Limited is developing power solutions in Sub-Saharan Africa through gas-fired power, solar power and hydrogen projects. The company is listed on the ASX (Australia), AIM (UK) and the BSE (Botswana). The Lesedi Power Project ("Lesedi") is the Company's most advanced project. Tlou plans to develop gas and solar power generation assets at Lesedi with electricity to be sold into the power grid.



Project Areas

The Company has three project areas in Botswana:

- Lesedi Project – Gas & Solar Power, Hydrogen production
- Mamba Project – Exploration & Evaluation
- Boomslang Project – Exploration & Evaluation

Lesedi Project Area, Botswana

Licences: Production Licence 2017/18L, Prospecting Licences 001 & 003/2004 and 35 & 37/2000

Ownership: Tlou Energy Limited 100%

The Lesedi project license covers an area of approximately 3,800 Km² and consists of four Prospecting Licences (PL) and a Production Licence. The Lesedi Power project is located in the Company's Production Licence area (~800 km²).

The Lesedi project has all approvals in place to allow development to commence. The first phase will be a 10MW power project with electricity to be sold to Botswana Power Corporation. Once in full production, 10MW of generation could provide annual revenue of approximately US\$10m.

Key stages of the development are outlined below:

- Construction and installation of an overhead transmission line and substations to connect Lesedi to the electricity grid
- Installation of generation assets
- Commissioning and testing
- Sale of first power

During the quarter, the Company agreed the terms including the interest rate for a facility to fund initial development of the Lesedi project. Legal agreements in relation to this proposal are being prepared. These agreements will need to be finalised and signed before the package becomes binding.

The status of the Lesedi area licences is as follows:

Licence	Expiry	Status
Production Licence 2017/18L	August 2042	Current
PL 001/2004	September 2023	Current
PL 003/2004	September 2023	Current
PL 035/2000	September 2022	Current
PL 037/2000	September 2022	Current

Mamba Project Area, Botswana

Licences: Prospecting Licences 237-241/2014

Ownership: Tlou Energy Limited 100%

The Mamba project consists of five Prospecting Licences covering an area of approximately 4,500 Km². The Mamba area is situated adjacent to Lesedi. In the event of a gas field development by Tlou, the Mamba area provides the Company with flexibility and optionality.

The Mamba project is in the exploration and evaluation phase with further operations required on these licences. The next stage of exploration is likely to be core hole drilling. Positive results from operations at Mamba could expand the reserves footprint across Tlou's project areas.

In the event of successful development at Mamba, it is envisioned that this area would be developed as a separate project from Lesedi, again with the potential for gas-fired power, solar power and hydrogen production.

The status of the Mamba area licences is as follows:

Licence	Expiry	Status
PL 237/2014	September 2023	Current
PL 238/2014	September 2023	Current
PL 239/2014	September 2023	Current
PL 240/2014	September 2023	Current
PL 241/2014	September 2023	Current

Boomslang Project Area, Botswana

Licence: Prospecting Licence 011/2019

Ownership: Tlou Energy Limited 100%

Prospecting Licence, PL011/2019 designated “Boomslang”, is approximately 1,000 Km² and is situated adjacent to the Company’s existing licences.

To date, the Company has not carried out ground operations in the Boomslang area having only received environmental approval to commence exploration activities earlier this year.

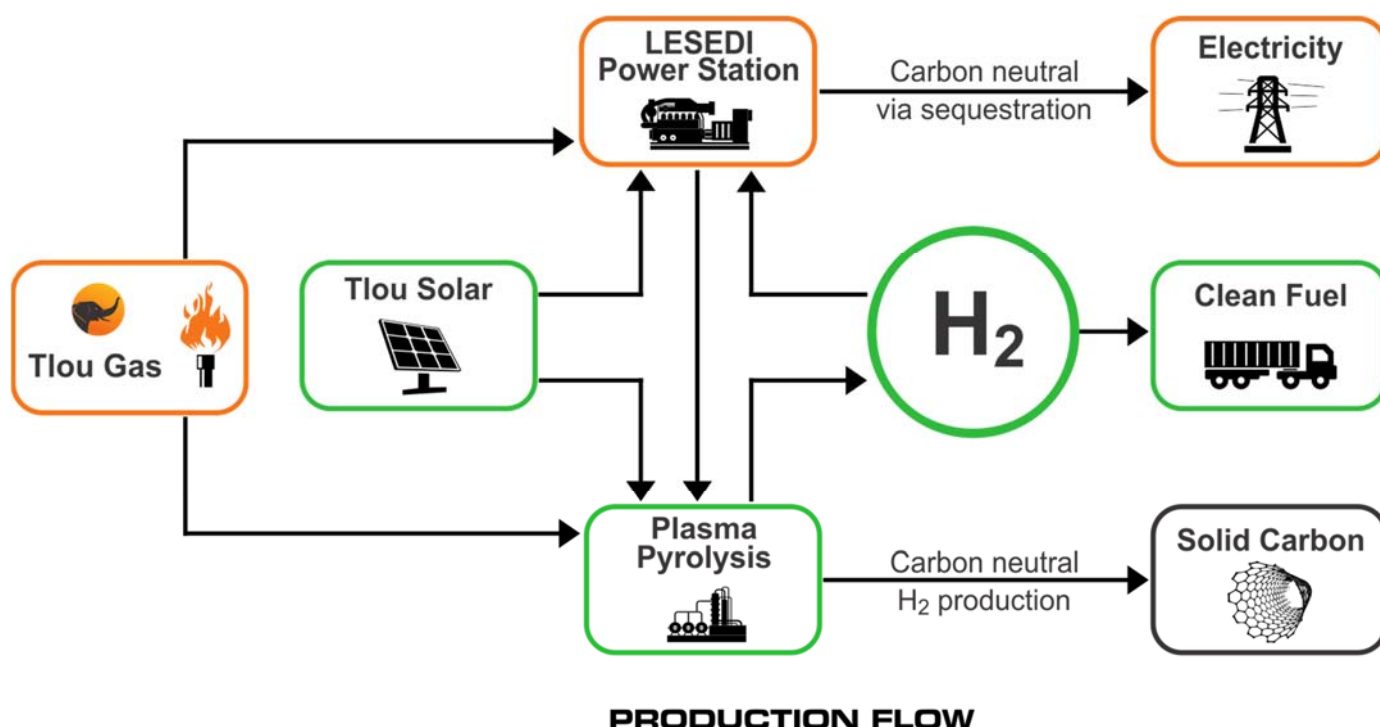
The status of the Boomslang area licence is as follows:

Licence	Expiry	Status
PL 011/2019	March 2022	Current

Hydrogen

Tlou’s Hydrogen plans are also gathering pace. During the quarter Tlou signed a binding Heads of Agreement (HOA) with Synergen Met Pty Ltd, a leading hydrogen developer applying unique intellectual property in the form of plasma technology to convert methane to hydrogen. The HOA involves the construction and commissioning of a hydrogen and solid carbon prototype to be installed at the Lesedi Project.

Design work has commenced on the prototype unit which is proposed to produce hydrogen and solid carbon using Tlou’s existing gas flows at Lesedi. The prototype will be constructed and tested in Queensland prior to transportation to Tlou’s Lesedi project in 2022.



10MW Power Purchase Agreement

Post quarter end the Company announced that a 10MW Power Purchase Agreement (PPA) was signed between the Company and Botswana Power Corporation (BPC). Under the terms of the PPA, BPC will purchase up to 10MW of power generated at Tlou's Lesedi power project. The PPA is for an initial five-year term with the 10MW project being the first phase of Tlou's planned power project expansion.

By Authority of the Board of Directors

Mr. Anthony Gilby
Managing Director

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Forward-Looking Statements

This announcement may contain certain forward-looking statements. Actual results may differ materially from those projected or implied in any forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results. No representation is made that any of those statements or forecasts will come to pass or that any forecast results will be achieved. You are cautioned not to place any reliance on such statements or forecasts. Those forward-looking and other statements speak only as at the date of this announcement. Tlou Energy Limited undertakes no obligation to update any forward-looking statements.