

## **Chairman's address - AGM**

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

We continue to make excellent progress towards establishing ourselves as a key power player in Botswana and Southern Africa through the exploration and evaluation of our gas to power project.

During the year Tlou progressed the construction of transmission lines to connect the Lesedi project to the grid, acquired a 4,000-hectare farm for the central processing facility, contracted the construction of the Lesedi substations, and the next phase of the production drilling commenced.

One of the final stages in the evaluation of the Lesedi project is the commencement of the 10MW gas to electricity operation. To connect this project to Botswana power grid, Tlou engaged Zismo Engineering Pty Ltd to construct a 100km transmission line from the Lesedi project to Serowe. Construction of the 66kV transmission line is over 95% complete and is expected to be fully completed in the coming months. Tlou has also engaged South African based Optipower, a division of Murray & Roberts Ltd to undertake the construction of associated substations as part of the grid connection.

We are privileged to have the continued support of the government of Botswana and the inclusion of coal bed methane (CBM) as part of the country's forward plan to combat power deficiency.

During the year, production drilling recommenced with the completion of the Lesedi 6 production pod and the drilling of the new lateral sections of the Lesedi 4 pod. Lesedi 6 is the first of a series of new pods, funds permitting, that the Company will drill to supply gas for the initial 10MW project. While Lesedi 4 has produced gas for several years, redrilling of the laterals is aimed at providing straighter lateral sections to improve dewatering and gas flow. Tlou's current 2P gas reserves stand at approximately 41 billion cubic feet (~7.2m BOE).

The Company's Mamba and Boomslang project areas are located adjacent to the Lesedi project. Tlou will continue to evaluate these projects and successful results could allow the Company to progress these areas separately to Lesedi, with the potential for gas-fired power.

During the 12-month period ending 30 June 2023, the Company successfully raised approximately AUD 14.8 million in equity and AUD 2.0 million loan funding to support ongoing project development. The Company's major shareholder ILC Investments Pty Ltd (ILC) now holds 34.86% of the Company's ordinary shares.

This has been a highly active year for Tlou. We look forward to another successful year ahead. 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.