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15 December 2023

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

Non-renounceable entitlement offer to ASX and BSE shareholders to raise up to A\$13.3 million (~BWP 118 million)

Key Points:

- Entitlement Offer for 4 new ordinary shares of no par value ("Ordinary Shares") for every 11 Ordinary Shares held, at a price of A\$0.035 per share (BWP0.31) to raise approximately A\$13.3 million (BWP 118 million) (the "Entitlement Offer");
- The offer is open to ASX and BSE shareholders only;
- Certain Directors are participating in the Entitlement Offer with commitments in place for a minimum of A\$613,308; and
- Funds raised and existing capital will go towards development of Tlou's Lesedi power project and working capital.

Tlou Energy Limited is pleased to announce an entitlement offer of up to 379,629,948 new Offer Shares at a price of A\$0.035 per share (BWP0.31) (the "Issue Price") to raise approximately A\$13.3 million (approximately BWP 118 million)). Eligible Shareholders may subscribe for 4 fully paid ordinary shares for each 11 fully paid ordinary shares held at 7.00 pm (AEST) on 20 December 2023 (the "Record Date").

Use of Funds

The net proceeds of the Entitlement Offer, along with existing cash, will mainly be applied by Tlou towards achieving Lesedi power project power grid connectivity in Botswana, including expenditure relating to:

- Transmission line and substations
- Drilling, field operating costs, gas gathering, generation
- Corporate expenditure and working capital.

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Entitlement Offer

The Entitlement Offer will entitle each eligible holder to acquire, at their sole discretion and at an issue price of A\$0.035 or BWP0.31 per Offer Share (the "Issue Price"), 4 fully paid ordinary shares for every 11 fully paid existing ordinary shares held at 7.00 pm (AEST) on 20 December 2023 (the "Record Date").

Shareholders who hold shares on the Record Date, who have a registered address on the Company's register of members in Botswana, Australia or New Zealand are eligible to participate in the Entitlement Offer. The Offer will be made available to Shareholders who are resident in Botswana subject to the Company receiving approval from the BSE.

The Issue Price is a 9% premium to the closing price on the ASX on 14 December 2023 being the latest practicable date prior to the date of this announcement. The maximum number of shares available to be subscribed for under the Entitlement Offer is 379,629,948 ordinary shares and the Entitlement Offer will raise A\$13.3 million (BWP 118 million) if fully subscribed. The Offer Shares issued under the Entitlement Offer will rank equally with existing ordinary shares including the right to receive all dividends and other distributions declared, made or paid after their date of issue, and the Company will apply for quotation of the Offer Shares

Excess Application Facility

Eligible Shareholders who take up their full entitlement will be invited to apply for excess Offer Shares in the Entitlement Offer from a pool of those not taken up by other eligible Shareholders ("Excess Application Facility"). There is no guarantee that applicants under the Excess Application Facility will receive all or any of the excess shares they apply for and the Company retains absolute discretion as to the allocation of the shares under the Excess Application Facility.

Entitlements are non-renounceable and will not be tradeable on ASX, AIM, or BSE or otherwise transferable. Eligible Shareholders who do not take up their entitlements will not receive any value in respect of those entitlements that they do not take up (and their shareholding in Tlou Energy will be diluted).

Shareholders who are not eligible to receive entitlements will not receive any value in respect of the entitlements they would have received had they been eligible (and their shareholding in Tlou Energy will be diluted).

An Offer Booklet in relation to the Rights Issue was lodged with ASX on 15 December 2023. Eligible Shareholders will receive an Offer Booklet including a personalised entitlement and acceptance form which will provide further details of how to participate in the Entitlement Offer. The Offer Booklet and personalised entitlement forms will be sent to eligible Shareholders on 22 December 2023.

Further details of the Entitlement Offer are set out in the Offer Booklet and Presentation lodged with the ASX and be available on the Company's website www.tlouenergy.com from 15 December 2023.

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Directors' participation in the Entitlement Offer

Certain Directors of the Company (shown in the table below) have committed to participating in the Entitlement Offer by subscribing for a minimum investment between them of A\$613,308. The Directors reserve their rights to subscribe for their full Entitlements. The Directors' beneficial interests in the capital of the Company at the date of the Offer and intention to participate in the Offer, are as follows:

Director	Number of Shares currently held	Current % Voting Power	Entitlement	Committed to invest under the Offer as a minimum
Tony Gilby	50,000,000	4.79%	18,181,818	14,285,714
Hugh Swire	12,065,921	1.16%	4,387,607	1,428,571
Colm Cloonan	4,581,387	0.44%	1,665,958	1,665,958
Gabaake Gabaake	385,999	0.04%	140,363	0
Martin McIver	1,097,816	0.11%	399,205	142,857

Note: This table assumes no performance rights vest during the offer period.

Tony Gilby holds 750,000 performance rights

Hugh Swire holds 500,000 performance rights

Colm Cloonan holds 4,750,000 performance rights

Gabaake Gabaake holds 2,750,000 performance rights

Martin McIver holds 750,000 performance rights

Assumes take up of minimum committed amounts under the Offer, no performance rights vest and that no Convertible Notes are converted before the Record Date

Entitlement Offer Timetable

Event	Date
Announcement of Entitlement Offer, Appendix 3B, and Offer Booklet	Friday, 15 December 2023
Ex date	Tuesday, 19 December 2023
Record Date	Wednesday, 20 December 2023
Opening Date Dispatch of Offer Booklet and Entitlement and Acceptance Forms	Friday, 22 December 2023
Last day to extend the Closing Date	Tuesday, 9 January 2024 (before noon)
Closing Date	5.00pm (Brisbane time) Friday, 12 January 2024 for ASX holders 1.00pm CAT Thursday, 11 January 2024 for BSE holders
New Shares quoted on a deferred settlement basis	Monday, 15 January 2024
Announcement of results of Entitlement Offer	Wednesday, 17 January 2024
Issue of New Shares under Entitlement Offer Lodgement of Appendix 2A applying for quotation of the new shares	Friday, 19 January 2024
Quotation of New Shares under Entitlement Offer	Monday, 22 January 2024

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Note: These dates are indicative only and subject to change. Subject to the Corporations Act, the Listing Rules, the AIM Rules and other applicable laws, the Company has the right to vary these dates without notice, including to close the Offer early or accept late Applications, either generally or in particular cases.

Definitions

Capitalised terms, where not otherwise defined, shall have the same meaning as set out in the Offer Booklet published on 15 December 2023.

The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the “UK MAR”) which is part of UK law by virtue of the European Union (withdrawal) Act 2018. The information is disclosed in accordance with the Company’s obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

By Authority of the Board of Directors

Mr. Anthony (Tony) Gilby

Managing Director

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About Tlou

Tlou is developing energy solutions in Sub-Saharan Africa through gas-fired power and ancillary projects. The Company is listed on the ASX (Australia), AIM (UK) and the BSE (Botswana). The Lesedi Gas-to-Power Project (“Lesedi”) is 100% owned and is the Company’s most advanced project. Tlou’s competitive advantages include the ability to drill cost effectively for gas, operational experience and Lesedi’s strategic location in relation to energy customers. All major government approvals have been achieved.

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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. Save as required by any applicable law or regulation, Tlou Energy Limited undertakes no obligation to update any forward-looking statements.

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