

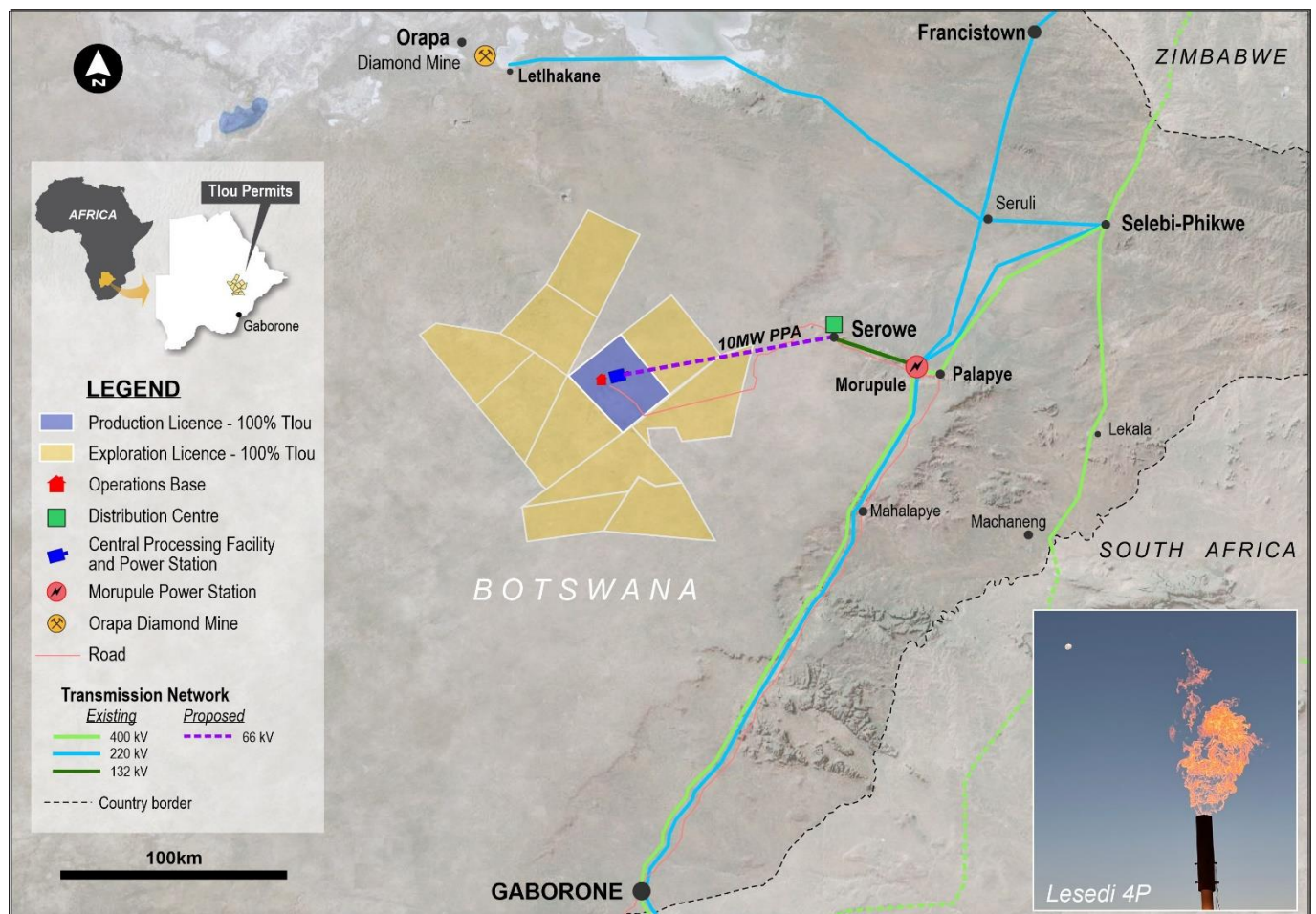
24 January 2024

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

Quarterly Activities Report for the quarter ended 31 December 2023

Highlights

- **First gas flared from the Lesedi 6 production pod**
- **Lesedi 4 pod is dewatering in line with expectations**
- **The 66kV overhead transmission line is effectively complete**
- **Electrical substations are approximately 37% complete**



Activities

Tlou Energy has three project areas referred to as the:

- **Lesedi Project** – focused on gas-to-power development as well as exploration and evaluation.
- **Mamba Project** – focused on exploration and evaluation.
- **Boomslang Project** – focused on exploration and evaluation.

Lesedi Project

The Lesedi project is Tlou's most advanced. At Lesedi the Company is developing a proposed 10MW gas-to-power project.

Gas to Power Project

The first electricity to be generated at Lesedi is planned to go towards satisfying the 10MW Power Purchase Agreement (PPA) with Botswana Power Corporation (BPC) the national power utility. The Lesedi project currently has several components of the development process underway including the construction of transmission lines, substations, a field operations facility and generation site as well as production wells.

Transmission Line Construction

The Lesedi project is approximately 100km from the nearest BPC substation connection in Serowe. To connect to the national grid, the Company is undertaking the construction and installation of a 100km 66kV transmission line. This, together with associated infrastructure and gas production wells should enable the Company to connect and provide electricity into Botswana's power network.

Construction of the 66kV transmission line has been effectively completed by the contractor Zismo Engineering Pty Ltd (Zismo). Final works including site clean-up and dismantling of equipment is underway. We are extremely grateful to Zismo for their quality of work, professionalism and expertise.

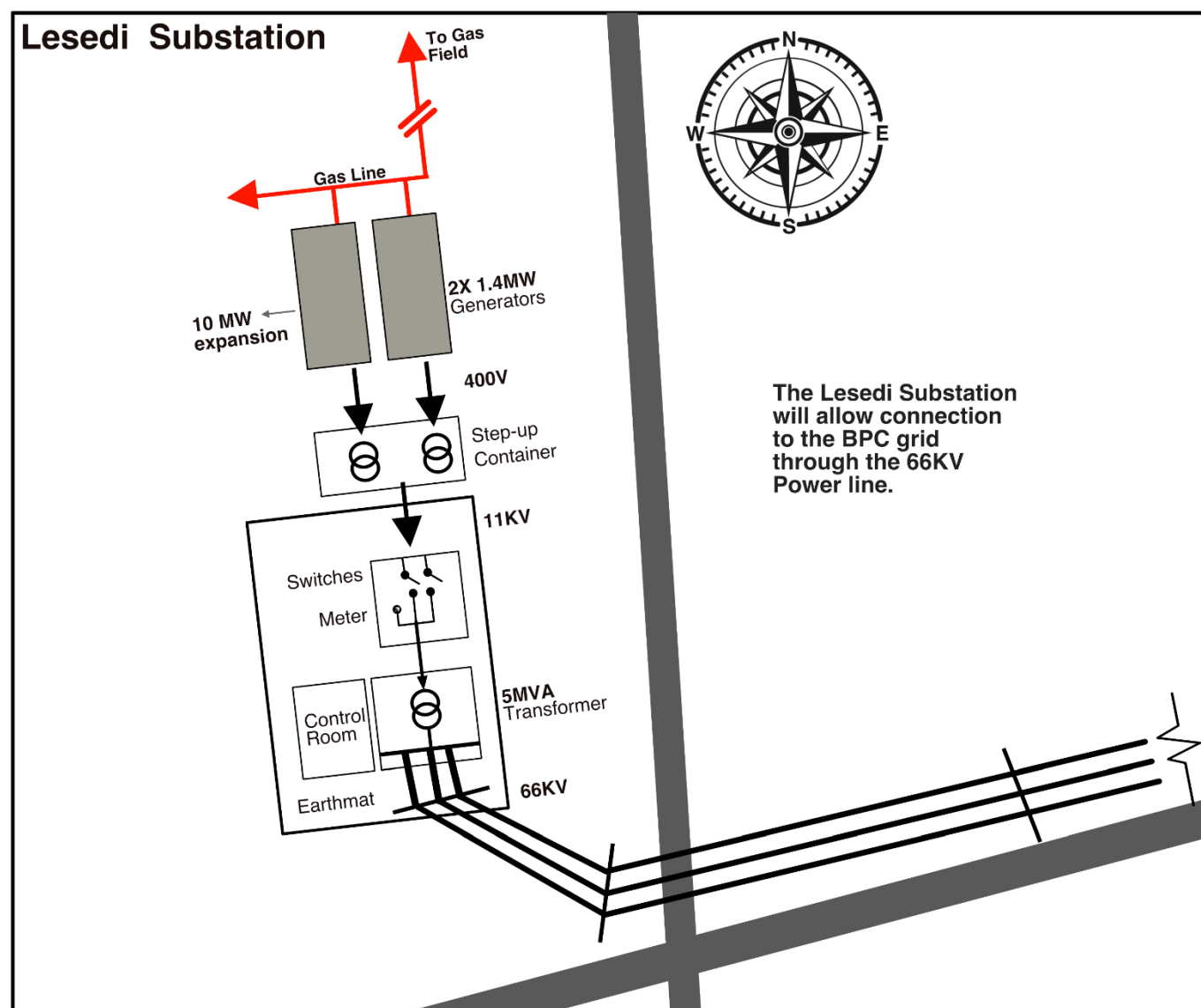
The line will remain under Zismo's care and maintenance until it is taken over upon energisation which is expected around mid-2024.



Substation Construction

The planned substation at Lesedi was designed for an initial 5MW of power, however the Company is working on options that may allow the substation design to be adapted to facilitate expansion beyond 10MW.

A new substation is required at the Lesedi end of the transmission line whereas at the opposite end, it will tie into the existing BPC substation at Serowe. Including the additional work required to expand capacity beyond 10MW, the substations are approximately 37% complete. It is currently anticipated that the project will be completed around mid-2024.



Gas production

The Company has two gas production pods, Lesedi 4 and Lesedi 6 currently flaring gas. During the quarter Lesedi 6 experienced a rapid increase in casing pressure in both lateral wells with first gas production to surface occurring soon thereafter.

The rapid build-up of casing pressure and production of first gas to surface in a relatively short time was very encouraging. This was the fastest gas to surface in the Lesedi field to date. Following the initial gas production, the aim is allow the gas flow to develop and obtain a sustained flow rate.

Dewatering at the Lesedi 4 pod also continued during the period with gas now flowing to surface as well. It was expected that dewatering of Lesedi 4 would be longer than Lesedi 6 due to the well design. The Company will continue production testing at both Lesedi 4 and Lesedi 6 and update the market in due course. A short video of the Lesedi 6 gas flare is available on the following link: <https://youtube.com/shorts/jzOjrA-xCrE>



Lesedi project licences

The project area has four Prospecting Licenses (PL) and a Production Licence which is the focus area for the development of Tlou's independently certified gas reserves and contingent resources. The table below summarises the status of the Lesedi licences:

Licence	Expiry	Status
Production Licence 2017/18L	Aug-42	Current
PL001/2004	TBA	Awaiting renewal confirmation
PL003/2004	TBA	Awaiting renewal confirmation
PL035/2000	Mar-25	Current
PL037/2000	Mar-25	Current

PL renewal applications are submitted three months prior to expiration. Renewal applications were submitted for PL001/2004 and PL003/2004 in June 2023 and the Company is awaiting confirmation of renewal. The Company has been informed that there have been delays to renewals as the process is moving to an online system.

Mamba Project

The Mamba project is in the exploration and evaluation phase with further operations required on the licences. It 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 successful drilling results at Mamba, it is envisioned that this area would be developed as a separate project from Lesedi. The Mamba area provides the Company with flexibility and optionality. The status of the Mamba licences is as follows:

Licence	Expiry	Status
PL 237/2014	Dec 2025	Current
PL 238/2014	Dec 2025	Current
PL 239/2014	Dec 2025	Current
PL 240/2014	Dec 2025	Current
PL 241/2014	TBA	Awaiting renewal confirmation

PL renewal applications are submitted three months prior to expiration. A renewal application for PL 241/2014 was submitted in June 2023 and the Company is awaiting confirmation of renewal. Further work on the Mamba project is proposed once the Lesedi project is in production. The next stage of operations is likely to include a seismic survey and the drilling of core-holes.

Boomslang Project

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. Like the Mamba project the first stage of operations is likely to include a seismic survey following by core-hole drilling.

The status of the Boomslang licence is as follows:

Licence	Expiry	Status
PL 011/2019	June 2024	Current

PL renewal applications are submitted three months prior to expiration.

Cash Position

At the end of the quarter the Company had ~A\$0.73m cash on hand (unaudited). The aggregate value of payments to related parties and their associates of A\$109k for the quarter (shown in item 6.1 of the Quarterly Cashflow Report) relates to directors’ salaries and fees (including tax and superannuation payments made on their behalf) and office rent. The Company will need to raise sufficient funds early in 2024, from the ongoing Entitlement Offer and the Excess Application Facility and any subsequent placement (as announcement on 15 December 2023) to support ongoing and planned operations as set out in item 8.8 of the Quarterly Cashflow Report.

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 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.

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.