



23 February 2024

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

Project Update: Progress Towards Electricity Generation

Highlights

- **Lesedi 4P and 6P continue to flare gas as dewatering progresses**
- **Completion of the crucial 66kV transmission line, connecting Tlou's Lesedi project directly to both Botswana's power grid and the broader Southern African Power Pool**
- **Connection to Serowe substation achieved, Lesedi no longer isolated from primary Botswana electricity market**
- **Lesedi substation which will connect Tlou's power generators to the transmission line now approximately 38% complete**

Lesedi production wells

The Lesedi 4P and 6P production wells are continuing to flow gas as the water level is being gradually lowered to just above the coal. Once the wells stabilise and stop surging (gas and water), gas flow rates will be measured. Tlou is confident that with the in-house knowledge gained from recent drilling efforts, extracting more and more gas out of the coal reservoir will become progressively simpler and more cost effective due to economies of scale.

Transmission line

The 66kV electricity transmission line connecting Tlou's Lesedi power generation site to the power grid has been constructed and the line has been connected to the Serowe substation.

Any minor finishing works and the addition of switchgear at the Serowe substation will be done prior to the line being energised. The line will be energised as soon as the substation at Lesedi is complete which is expected around the middle of the year subject to funding.

The transmission line is a vital element of the Lesedi project. With the completion of the transmission line, the Lesedi project is no longer isolated from Botswana's electricity market and is now connected to the broader Southern African Power Pool.

Lesedi Substation

The Lesedi substation, which will connect Tlou's power generators to the transmission line, is approximately 38% complete. Installation of the earth mat is complete with the control room currently being constructed.

Generators

Gas fired generators will be installed adjacent to the Lesedi substation on Tlou's 100% owned land. Consultant engineers are evaluating generator options and obtaining quotes from suppliers.

Funding

The Company is in discussions with several strategic parties to secure the remaining funds required for project completion. The aim is to secure funding this quarter. The Company remains committed to delivering electricity into the grid at the earliest opportunity, with power sales contracted under the existing 10MW Power Purchase Agreement with Botswana Power Corporation.

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.