

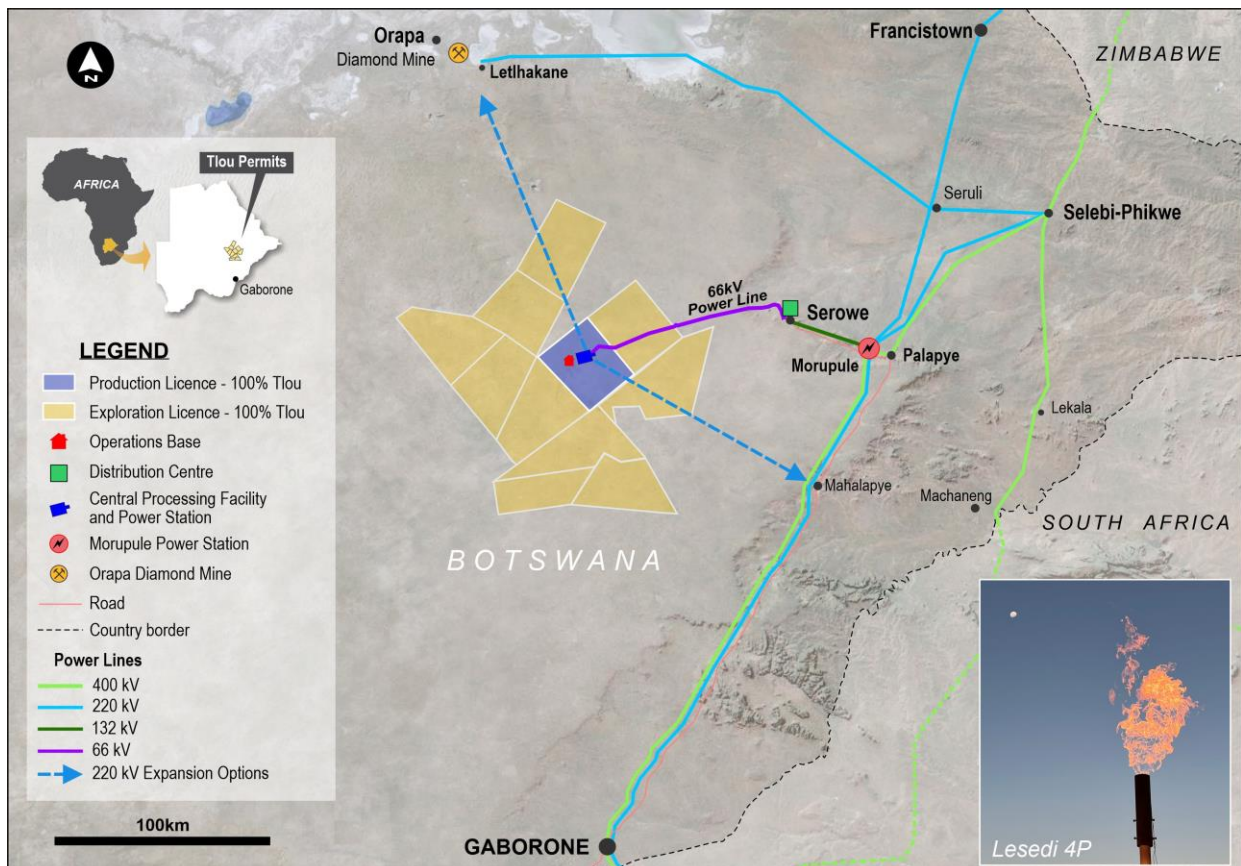
28 April 2025

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

Quarterly Activities Report for the quarter ended 31 March 2025

Highlights

- During the quarter Tlou focused on increasing the gas flow rate and consistency from the Lesedi 4 and Lesedi 6 production pods
- The Company signed a binding agreement with new off-taker Kala Data for the development of a data centre at Lesedi
- Tlou continues to progress the Lesedi Gas-to-Power project towards power generation in the near term



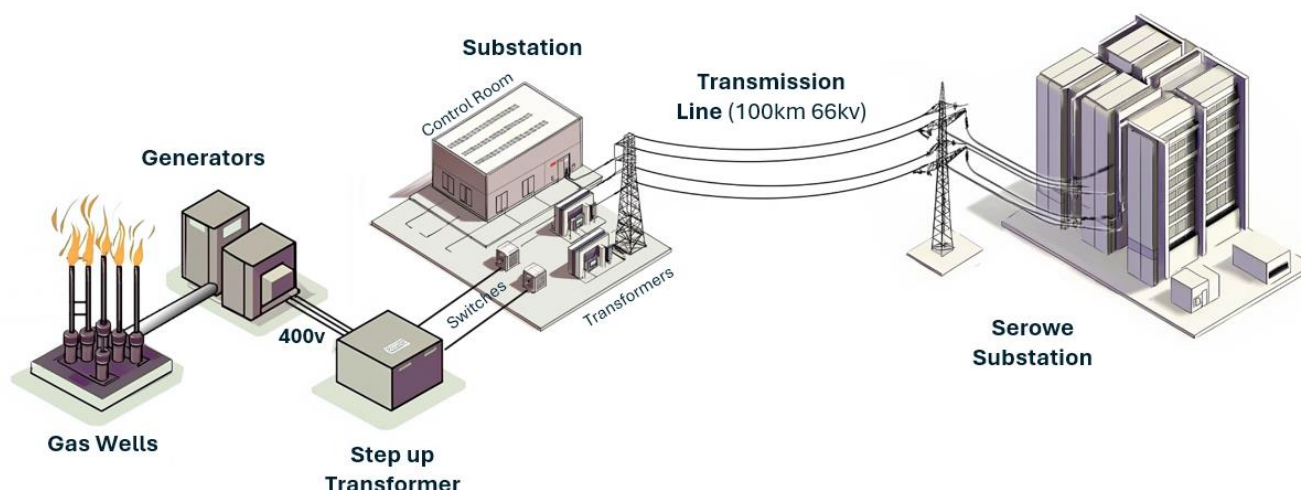
Project Areas

Tlou operates three project areas in Botswana's Central District:

- **Lesedi Project**
Development at the Lesedi project and in particular the 10MW Lesedi gas-to-power project ("Lesedi") is the focal point of current operations.
- **Mamba Project and Boomslang Project**
Both the Mamba and Boomslang projects remain in the exploration phase and will require additional work to be completed before an evaluation of the areas can be made and plans put in place for possible development.

Lesedi Project

Lesedi is Tlou's most advanced project where the Company is developing a 10MW gas-to-power project with gas fired electricity generated on-site to be sold into the existing power grid via BPC's Serowe substation.



The Lesedi project presents an opportunity for Botswana to diversify its base load power sources as the country is heavily reliant on coal and diesel fired power. Load shedding (power outages) has become a regular occurrence in Botswana recently due to issues with the existing power network. The Lesedi gas-to-power project intends to supply first power into the national grid in 2025.

Gas flow

Tlou's Lesedi 4 and Lesedi 6 production pods are required to support first power generation at Lesedi. Operations at Lesedi have been ongoing for some time to achieve consistent and commercial gas flow rates from these wells. The influx of water and build-up of coal fines or particles in the wells has hampered gas production.

To try and alleviate this, operations during the quarter included cleaning out the wells, removing coal fines, bringing the wells back into production and drawing down the water level again. With a significant amount of coal fines removed the flow rate may increase to rates higher than previously recorded. Operations during the quarter have been much more intense than previously to try and determine the highest sustainable gas flow attainable from these existing wells.

Note that Lesedi 4 and Lesedi 6 are dewatering in isolation so removing sufficient water from the coal basin is challenging without additional adjacent wells. Regardless of the flow rates achieved from Lesedi 4 and Lesedi 6, drilling of more production wells will be required which will require further funding – at least part of which should be forthcoming from the recently signed deal with Kala Data.

The initial aim is to try and get consistent gas flow rates sufficient for greater than 0.5MW of electricity from each of Lesedi 4 and Lesedi 6 and then build from there. Prior to the publication of any flow rate, Tlou will need to have the rates verified by an independent third party.

Substation construction

Construction of an electrical substation at Lesedi has been ongoing and is over 90% complete. This substation will tie gas fired generators to the transmission network for sale of electricity into the power grid.

The substation construction was being managed by a division of Murray and Roberts Limited (MR), however, following internal issues at MR during the quarter, Tlou and MR are working on a settlement agreement to amicably terminate the existing construction contract. Thereafter, Tlou will engage subcontractors to finalise the remaining work and complete the substation. This is currently not expected to lead to a significant delay to the project.



Lesedi Substation – Q1 2025

Data Centre development at Lesedi

During the quarter a binding agreement was signed with technology partner Kala Data FZCO for the development of a data centre project at Lesedi.

The proposed facility is a containerised system optimised to handle demanding computing tasks. This requires high performance hardware with high-end processors used for tasks such as machine learning, artificial intelligence, and large-scale scientific simulations. The facility could generate revenue in several ways including cryptocurrency and blockchain services, cloud computing services, data centre leasing, and computational modelling.

This strategic partnership provides Tlou with an alternative revenue stream alongside the 10MW gas-to-power project with BPC. The Kala facility can initially be powered using gas from Lesedi 4 or Lesedi 6 including gas that may otherwise be flared. Kala will have an exclusive right to develop, operate, and expand high-density computational activities at Lesedi for an initial five-year period, with an option to integrate solar infrastructure to supplement the facility's gas-based power supply.

Kala will supply, operate and maintain the facility and Tlou will provide gas to power the project.

Under the agreement, Kala will provide funding to develop the data centre including costs of drilling gas wells and infrastructure and equipment installation. This funding will be structured as an interest-free loan that Tlou will repay from profits generated from the facility. Initially, Tlou will receive 25% of the profits, while the remaining 75% will go toward repaying Kala's investment. Once the loan amount has been fully repaid, project profits will be split equally (50/50) between Tlou and Kala ensuring long-term shared financial benefits for both parties.



Example of a modular data centre facility

Government brief on power supply challenges

A parliamentary statement during the quarter highlighted ongoing power issues in Botswana including the exceptionally high cost of importing power and using diesel fired generation. In addition, the report shows the detrimental impact this is having on the finances of Botswana Power Corporation (BPC), and the Company will work with BPC to ensure that this does not impact Tlou's 10MW project.

Tlou's Lesedi project could alleviate some of the power issues in country and the Company will liaise with BPC and the Government to facilitate expansion as quickly as possible with their support.

Project Licences

Project Area	Licence Type	Ref	Expiry	Status
Lesedi	Mining	ML2017/18L	Aug-42	Current
Lesedi	Prospecting	PL001/2004	Mar-26	Current
Lesedi	Prospecting	PL003/2004	Mar-26	Current
Lesedi	Prospecting	PL035/2000	Mar-25	Awaiting renewal confirmation.
Lesedi	Prospecting	PL037/2000	Mar-25	Awaiting renewal confirmation.
Mamba	Prospecting	PL237/2014	Dec-25	Current
Mamba	Prospecting	PL238/2014	Dec-25	Current
Mamba	Prospecting	PL239/2014	Dec-25	Current
Mamba	Prospecting	PL240/2014	Dec-25	Current
Mamba	Prospecting	PL241/2014	Mar-26	Current
Boomslang	Prospecting	PL011/2019	Jun-26	Current

PL renewal applications are submitted three months prior to expiration with renewal generally received after expiry of the relevant licence.

The Lesedi, Mamba and Boomslang prospecting licence areas are in the exploration and evaluation phase with further operations required before a decision is made to proceed with further development or to relinquish the licences. In the event of successful results at Mamba or Boomslang it is envisioned that these areas would be developed as separate individual projects.

Cash Position

At the end of the quarter the Company had ~A\$163k cash on hand (unaudited). Unused financing facilities available at quarter end were A\$2.53m. The aggregate value of payments to related parties and their associates of A\$91k 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.

By Authority of the Board of Directors

Mr. Anthony Gilby
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About Tlou

Tlou is developing energy solutions in Sub-Saharan Africa through gas-fired power and ancillary projects such as high-density computational facilities. The Lesedi Gas-to-Power Project (“Lesedi”) in Botswana 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. 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.