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Our Ref: Solomon Rowland  
Your Ref:

27 November 2014

Company Announcements Office  
Australian Securities Exchange Limited  
20 Bridge Street  
Sydney NSW 2000

Dear Sir / Madam

**RE: Chairman and Managing Director – 2015 Annual General Meeting Presentations**

In accordance with Listing Rule 3.13.3, I enclose the presentations of the Chairman and Managing Director, which will be delivered today at the Tlou Energy Limited 2015 Annual General Meeting.

Yours Faithfully  
**Tlou Energy Limited**

SOLOMON ROWLAND  
Company Secretary

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

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

The past year has been a year of consolidation for Tlou, with the continuing progression and expansion of our Lesedi CBM and Mamba projects in Botswana.

Tlou's primary focus has been on developing the Botswana Lesedi CBM project through the drilling of additional wells in the Selema area. This project has progressed and reached a number of operational milestones which Tony will discuss in his address.

Once the current testing of the Selema wells is complete, the next step in the Lesedi CBM project's development plan involves a small scale pilot production project which will be contingent on commercial gas flow rates together with either a signed memorandum of understanding for gas supply or power purchase agreement with a potential consumer.

We are committed to building shareholder wealth through the continuation of the Lesedi CBM project's development into production, and through the maturing of exploration and development at the adjacent Mamba project.

Tlou is also excited by the opportunity to assist in the development of a CBM gas industry in Botswana. The establishment of this industry within Botswana will not only help the country manage the current energy shortage it faces but will also provide employment, income and an alternative cleaner energy source for the country and its citizens, all of which are positive effects.

Finally and most importantly, I would like to take this opportunity to recognise the continuing support of our shareholders, without whom our projects would not be possible.

Thank you.



**TLOU ENERGY**

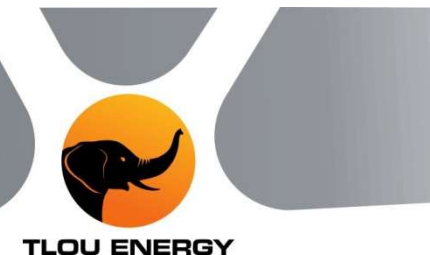
**“Gas to Power  
in Botswana”**

**2015 Managing Director’s AGM  
Presentation**

27<sup>th</sup> November 2015



# Disclaimer



## Disclaimer

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## Summary information

This Presentation is a visual aid which will be used by representatives of Tlou to assist in investor and analyst presentations. It is not intended to be read as a stand alone document. This Presentation contains selected and abbreviated summary information about Tlou and its subsidiaries and their activities current as at the date of this Presentation. The information in this Presentation is of general background and does not purport to be complete. It is intended to be read by a sophisticated investor audience familiar with Tlou and the sector in which it operates and to be accompanied by a verbal presentation delivered by a representative of Tlou. It should be read in conjunction with Tlou's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), which are available at [www.asx.com.au](http://www.asx.com.au).

## ASX Releases

Investors are advised that by their nature as visual aids, presentations provide information in a summary form. The key information on detailed resource statements can be found in Tlou's ASX releases. Resource statements are provided to comply with ASX guidelines but investors are urged to read supporting information in full on the website.

## Past performance

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

# Disclaimer continued



## Future performance

This Presentation contains certain “forward-looking statements”. Forward looking words such as, “expect”, “should”, “could”, “may”, “plan”, “will”, “forecast”, “estimate”, “target” and other similar expressions are intended to identify forward-looking statements within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Such forward-looking statements, opinions and estimates are not guarantees of future performance.

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## Investment risk

An investment in Tlou shares is subject to investment and other known and unknown risks, some of which are beyond the control of Tlou. Tlou does not guarantee any particular rate of return or the performance of Tlou. Persons should have regard to the risks outlined in this Presentation.

## COMPETENT PERSONS STATEMENT

The gas resource estimates for the Lesedi CBM Project provided in this statement (refer slide 8) were originally released to the Market on 9 April 2015 (Announcement). Tlou confirms that it is not aware of any new information or data that materially affects the information included in the Announcement and that all of the material assumptions and technical parameters underpinning the estimates in the Announcement continue to apply and have not materially changed. The gas resource estimates are based on and fairly represents, information and supporting documentation and were determined by Dr. Bruce Alan McConachie of SRK Consulting (Australasia) Pty Ltd, in accordance with Petroleum Resource Management System guidelines. Dr. McConachie is considered to be a qualified person as defined under the ASX Listing Rule 5.42 and has given his consent to the use of the resource figures in the form and context in which they appear in this Presentation.

# Company Snapshot



**TLOU ENERGY**

- ASX Listed (Ticker TOU); applied for dual AIM Admission
- 8,300km<sup>2</sup> CBM permits in Botswana
- Energy deficit in Botswana and wider Southern Africa region
- Focused on commercialising gas in 2016
- CEO (9.5%) and Chairman (8.9%) are the largest shareholders
- Issued shares 187m (ordinary shares)
- Options 10.6m unlisted \$0.625, expiring 30/4/16
- Key news flow in next 6 months with re-rating events

## ASX Trading – last 6 months



Source: IRESS

## Significant Shareholders

#	Beneficial Holder	Shares (m)	% ISC
1	Anthony (Tony) Gilby	17.8	9.51
2	Nathan Mitchell	16.7	8.92
3	Talon Metals Corp	14.3	7.63
4	Acorn Capital Limited	10.6	5.64
5	Kinetic Investment Partners	9.4	5.01

Source: Company



# Management Team



## Executive Board



### **Anthony (Tony) Gilby – MD & CEO**

- Geologist with >30 years industry experience
- Co-founder of a number of CBM companies including Sunshine Gas
- Previous technical roles for ESSO & Exxon
- Took Sunshine Gas from small CBM explorer to certified 3P gas reserves >1,000PJ's
- Led takeover of Sunshine Gas by QGC (BG) in 2008 for A\$1.1bn



### **Gabaake Gabaake – Exec Director**

- Geologist and former Botswana Permanent Secretary, Minerals Energy & Water
- Strong government and industry relationships
- Past director of a number of international resource companies including Debswana, De Beers and DTC

## NED's & Management



### **Nathan Mitchell – Chairman**

- 25 years in resource exploration and drilling
- Pioneer of CBM drilling techniques and as CEO of Mitchell Drilling operated 30 drilling rigs and drilled over 300 surface to in-seam CBM wells
- Chairman of ASX listed Mitchell Services Limited



### **Martin McIver – Non-Exec Director**

- 14 years experience in finance and mining services
- Formerly with PwC
- Current CFO of the Workpac group



### **Glen Smith – Chief Operating Officer**

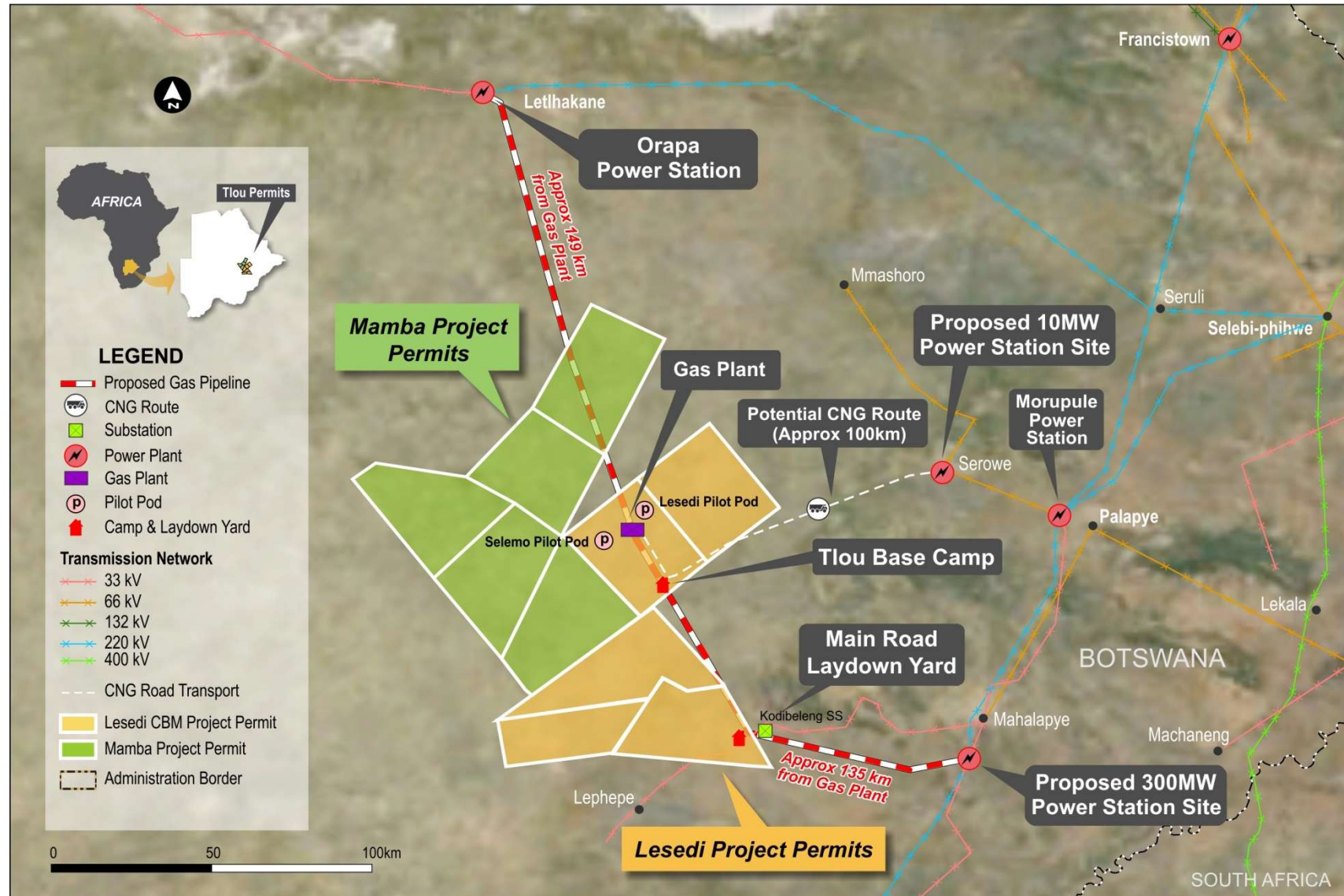
- Geologist with >30 years operational experience with oil and gas and CBM exploration companies
- Previous technical roles including Delhi, Esso, MIM
- Experience in geological and drilling management
- Operated in many remote locations including Australia, PNG, Indonesia, Brazil and Africa



### **David Mompoti – Project Development Officer**

- Commercial and project management credentials
- Over 10 years experience with Botswana entities
- Key liaison with local stakeholders

# Botswana CBM Project





# Lesedi Operations



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**Aerial view of Operations**  
Selemo Pod



**Gas flare - Selemo Pod** December  
2014



# Reserves and Contingent Resources



**TLOU ENERGY**

## Certified Contingent Resource

- **4.9 BCF (1C)**
- **239 BCF (2C)**
- **3,295 BCF (3C)**

## Initial Reserve Certification

- Targeting H1 2016
- Expanded Selemo Pilot program designed for initial Reserves Certification
- Subject to:
  - Sustained gas flow
  - Gas to Power
  - GSA

## Certified Resource Statement

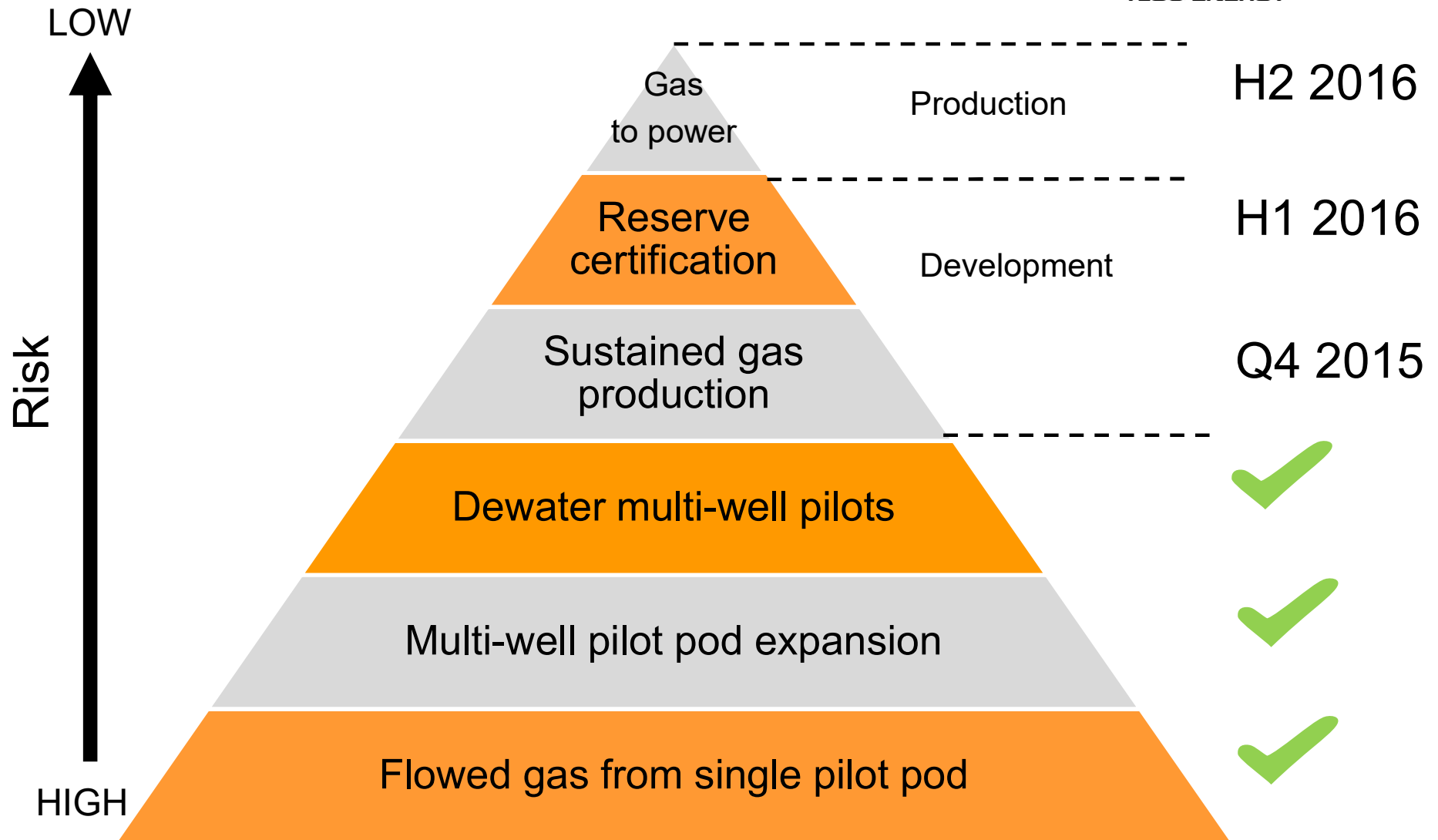
Category	OGIP <sup>(1)</sup> (BCF)	Unrisked Gross (100 Percent) (BCF)	Unrisked Net (100 Percent) (BCF)
<b>Contingent Resources (SRK, 2015)</b>			
Low Estimate (1C)	7.6	4.9	4.9
Best Estimate (2C)	367.8	239.1	239.1
High Estimate (3C)	5,347.5	3,295.5	3,295.5
<b>Prospective Resources<sup>(2)</sup> (NSAI, 2012)</b>			
Low Estimate	2,459.5	644.1	644.1
Best Estimate	7,653.1	3,239.0	3,239.0
High Estimate	14,326.8	8,596.1	8,596.1

(1) OGIP = Original gas in place.

(2) The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Source: CPR, 2015

# Key Steps to Unlock Value



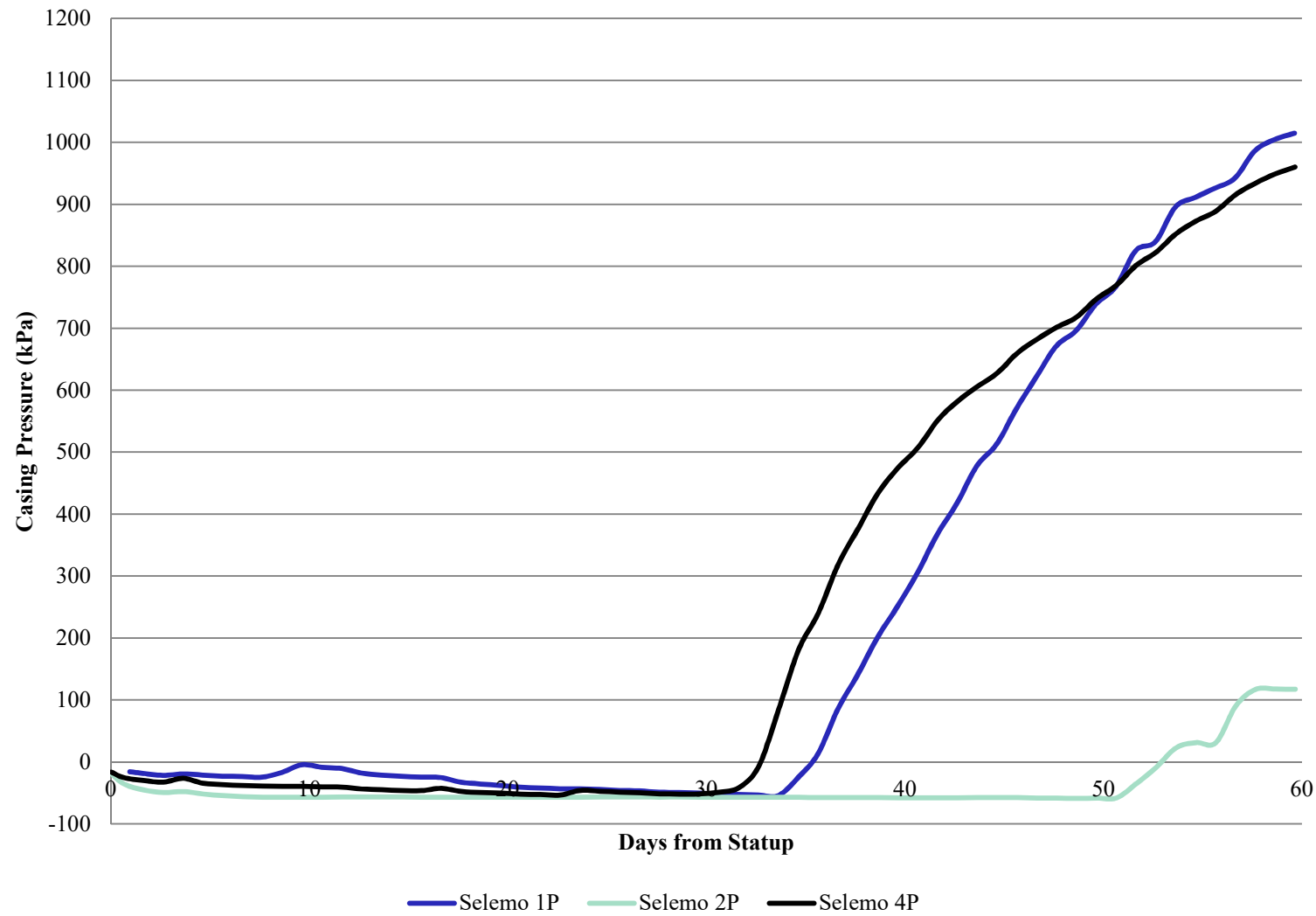
# Lesedi Project



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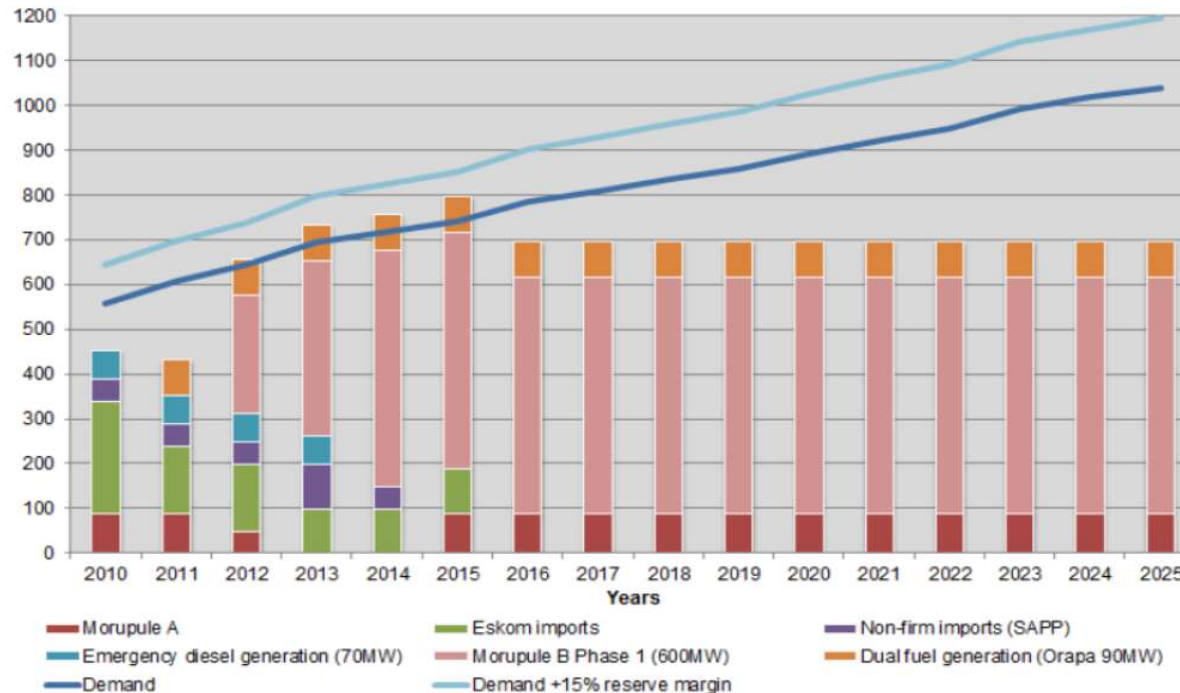


# Selemo Pilot Wells – Current Testing





# Electricity Supply & Demand



Source: Norconsult Market Report, 2013

- Botswana is looking to increase the supply of power from the Morupule B power station commissioned in 2013
- Morupule B consists of 4x132 MW units of net capacity at a cost of P11 billion (>US1 billion); only 2 units are currently in operation at a reduced capacity of ~200MW
- Greater reliance is placed on non-firm imports and ongoing diesel generation
- Morupule B requires short term remediation to bring all units online and major longer term refurbishment to reach full capacity

# Proposed Sales Routes



Phase	Market	Opportunity	Strategy
1	Compressed Natural Gas (CNG)	<ul style="list-style-type: none"> <li>Off-grid power solution for mining companies (~1- 5 MW's)</li> <li>Grid-connected power supply (up to 10 MW's)</li> </ul>	<ul style="list-style-type: none"> <li>Production testing Selemo multi-well pilot pods</li> <li>Install 1MW compressed natural gas (CNG) equipment</li> <li>Convert Selemo wells and field operations to gas generation (replacing diesel at a current cost to Tlou of ~US\$0.76 per litre)</li> <li>Expand CNG facilities and equipment based on market requirements</li> </ul>
2	Pipeline	<ul style="list-style-type: none"> <li>Supply nearby Orapa Power Station</li> <li>Replace expensive diesel generation with cleaner CBM</li> </ul>	<ul style="list-style-type: none"> <li>Existing Orapa Power Station has 2 x 45MW diesel fired generators</li> <li>Fuel cost estimated by Norconsult in 2013 of US\$0.40/kWh</li> </ul>
3	Power Stations	<ul style="list-style-type: none"> <li>New gas-fired generation opportunities (300 MW IPP Project)</li> </ul>	Supply growth in Botswana and regional markets

# Company Strategy



- ✓ Tlou has the most advanced gas project in Botswana
- ✓ Botswana has a severe energy shortage and is relying on non-firm imports and diesel generation
- ✓ Tlou has an immediate and long term opportunity to provide domestic gas/power and displace the expensive diesel import market
- ✓ The Lesedi CBM Project has significant resources confirmed with updated gas flow rates to be published in in the next few months to progress to gas sales
- ✓ Strong interest in offtake agreements into a power hungry market
- ✓ The long term aim to is to build a mid-tier energy provider in Southern Africa

# Thank You



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