



2 March 2022

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

**Interim Results and Convertible Note update**

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The Company is pleased to announce its interim results for the six months ended 31 December 2021. The report is available on the Company's website at [tlouenergy.com/financial\\_reports\\_notices](https://tlouenergy.com/financial_reports_notices)

The Company has progressed remarkably over the period having finally delivered all the important targets that we have spoken about for many years. Key to this were two items:

- (i) signing the 10MW Power Purchase Agreement with BPC, the first of its kind in Botswana; and**
- (ii) securing funds to start development of the 10MW Lesedi power project from our long-term supporter and largest shareholder, Botswana Public Officers Pension Fund.**

**Interim Results**

As a Sub-Saharan electricity company, the future looks very bright indeed. The Lesedi 10MW project is just the start. Tlou has the potential to develop this project into hundreds of MW's of power with our existing independently certified gas reserves and contingent resources. The potential opportunity is enormous.

Sub-Saharan Africa demands reliable power, now more than ever, and the region needs to transition towards cleaner energy. Tlou's gas is the ideal transitional fuel source. Tlou is also developing solar and hydrogen power for the region. While the Lesedi 10MW project is the current priority, the green solar and hydrogen options are key to a clean future and will be progressed in tandem with the gas project. This is a very exciting time for the Company.

The market for power in Botswana alone is significant. However, while Botswana is our initial target the wider southern African region is also a key focus and in dire need of reliable power. Through the Southern African Power Pool, Tlou aims to tap into this power market opportunity.



Our results for the half year were in line with expectations. Importantly, we now have funding which allows us to progress development of the Lesedi project. During the period we were delighted to get our field operations back to normal post pandemic.

### **Gas Production**

Our gas production wells continue to perform and we have been producing gas for a prolonged period. The Lesedi 3P production well was brought back online in January and started to produce gas much more quickly than expected which was a very encouraging development.

Gas production from the Lesedi 3P and Lesedi 4P wells for January 2022 amounted to 1,413 Mcf (thousand cubic feet) equivalent to (~250 BOE). Average daily production is approximately 56 Mcf (~10 BOE). These wells are dewatering in isolation and gas flow rates are expected to continue to increase, potentially significantly, when part of a full field development. We plan further production and exploration drilling in due course aimed at expanding gas production and to increase our gas reserves even further. Our current 2P gas reserves stand at approximately 41 billion cubic feet (~7.2m BOE).

### **Transmission Lines**

Transmission line contractors are set to commence work in the field. The timeline for completion is 15-18 months and all going to plan we look forward to getting first power into the grid in 2023. While this is in progress, we will have a number of other activities ongoing as outlined below.

### **Central Processing Facility**

The power generation site or Central Processing Facility (CPF) will be put in place and gas fired power generators installed. The CPF will be located adjacent to the Lesedi field camp, which is also being upgraded to accommodate more staff, equipment, a mechanical workshop, and storage facilities.

### **Solar**

We also aim to install solar PV panels in the field. These will initially be used to power our field operations and at a later stage power can be sold into the grid.

### **Hydrogen**

Our Hydrogen partner Synergen Met, is working on the pyrolysis prototype unit that we expect will be shipped to Lesedi later this year. This is a highly innovative project and could see Tlou's currently flared gas used to produce hydrogen and solid carbon products, using a clean process with no greenhouse gas emissions. A truly innovative way to produce clean fuel.



It has taken some time to get here but we have never been more positive and excited about the prospects for Tlou. The transition from an exploration focused entity to a developer was a key target and to see it come to fruition is extremely rewarding.

There is more work to do, and we look forward to progressing the Company to become a significant energy producer.

### Convertible Note update

Further to the announcement on 30 November 2021, the Company and Botswana Public Officers Pension Fund (BPOPF) have agreed a minimum conversion price of BWP 0.50 (~£0.032) per share under the Convertible Note Agreement (“Note”) and funds have been received by the Company.

Should BPOPF decide to convert the Note, the Company will issue a maximum of 115,772,900 ordinary shares in the Company. All other terms in relation to the Note remain unchanged.

### By Authority of the Board of Directors

Mr. Anthony Gilby  
Managing Director

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.

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For further information regarding this announcement please contact:

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|---|----------------------|
| <b>Tlou Energy Limited</b>                      | +61 7 3040 9084      |
| Tony Gilby, Managing Director                   |                      |
| Solomon Rowland, General Manager                |                      |
|   |                      |
| <b>Grant Thornton (Nominated Adviser)</b>       | +44 (0)20 7383 5100  |
| Harrison Clarke, Colin Aaronson, Ciara Donnelly |                      |
|   |                      |
| <b>Arden Partners (Broker)</b>                  | +44 (0) 20 7614 5900 |
| Antonio Bossi                                   |                      |
|   |                      |
| <b>Public Relations</b>                         |                      |
| Ashley Seller                                   | +61 418 556 875      |

### ***About Tlou***

Tlou is developing energy solutions in Sub-Saharan Africa through gas-fired power, solar power and hydrogen projects. The company is listed on the ASX (Australia), AIM (UK) and the BSE (Botswana). The Lesedi Power Project (“Lesedi”) is 100% owned and is the Company’s most advanced. Tlou’s competitive advantages include our ability to drill cost effectively for gas, our 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.