



28 May 2021

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

Hydrogen Strategy

Tlou Energy Limited is an ASX, AIM and BSE listed company focused on delivering power in Botswana and southern Africa through the exploration and development of gas, solar and hydrogen.

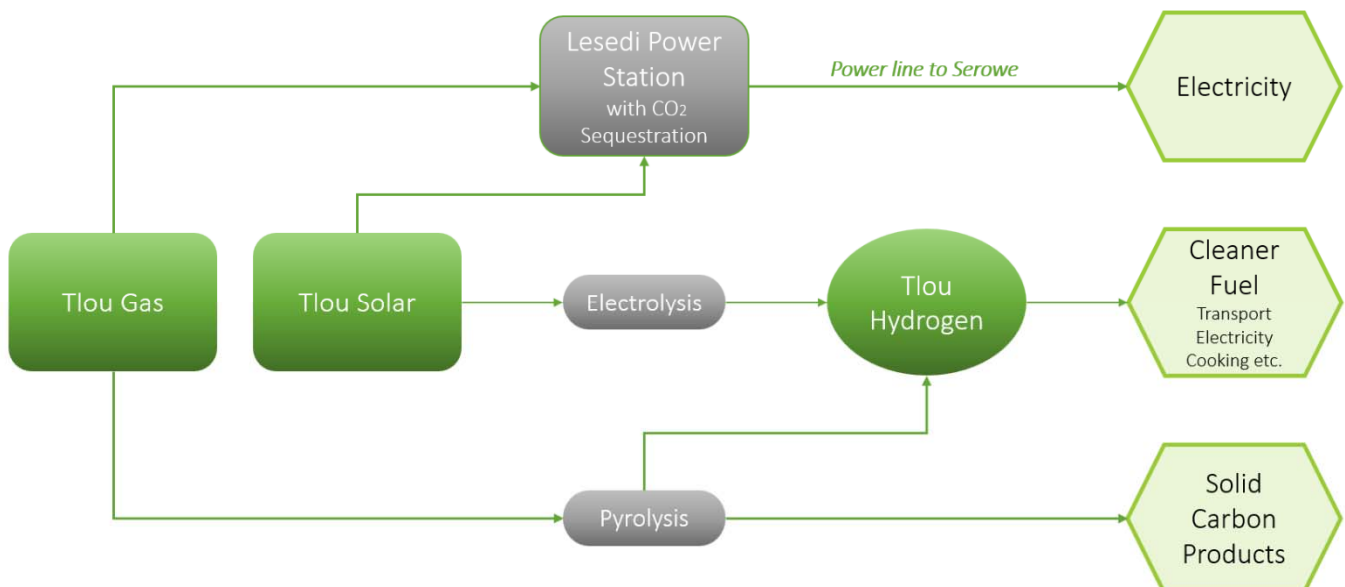
Hydrogen

Tlou is developing a hydrogen strategy to complement the Company's gas-to-power project.

The hydrogen economy is rapidly developing and could open multiple additional business opportunities such as solid carbon products, oxygen, ammonia for energy storage, fuel cell electric vehicles (FCEV), agricultural and medical applications.

Tlou is well-positioned to produce hydrogen from different methods. The Company has large and proven resources to develop these products. Methane for carbon and hydrogen, readily available water for hydrogen and oxygen, and virtually unlimited CBM / solar power to drive the process.

A hydrogen strategy would benefit from Tlou's extensive approvals secured to date, including environmental, gas and solar generation licences, access to land and established in-country operational expertise.



Project Finance and Power Purchase Agreement (PPA)

Tlou is in ongoing discussions with a number of parties in relation to a \$10m project finance package for the initial phase of the Lesedi gas-to-power project which includes construction of transmission lines and sub-stations.

Two of these parties are currently working through their internal approval processes and have not expressed a specific need to conclude the 10MW PPA in order to progress. Others have indicated a preference for the 10MW PPA to be concluded prior to moving forward. Tlou is not in a position to influence these third-party internal processes and therefore cannot estimate how long this may take.

Once a project finance package is in place and it is commercially prudent, significant work on the transmission lines and sub-station can be conducted.

On the 10 MW PPA, confidential negotiations are continuing and progress is being made. A market update will be provided in due course.

Forward plan

The primary focus for the Company is to progress the Lesedi gas-to-power project. Development of hydrogen is planned to run in tandem and with time could develop into a lucrative opportunity for the Company given the availability of Tlou's gas and solar power.

The Company has released a new presentation which is available to view on the Company's website <http://tlouenergy.com/presentations>.

By Authority of the Board of Directors

Mr Anthony Gilby
 Managing Director

For further information regarding this announcement please contact:

Tlou Energy Limited	+61 7 3012 9793
Tony Gilby, Managing Director	
Solomon Rowland, General Manager	
Grant Thornton (Nominated Adviser)	+44 (0)20 7383 5100
Harrison Clarke, Colin Aaronson, Lukas Girzadas	
Shore Capital (Broker)	+44 (0)20 7408 4090
Jerry Keen, Toby Gibbs, John More	
Vigo Consulting (PR)	+44 (0)20 7390 0230
Patrick d'Ancona, Chris McMahon, Simon Woods	

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. Tlou Energy Limited undertakes no obligation to update any forward-looking statements.