



2 May 2023

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

A\$2m Loan Agreement Signed

Key points

- **Tlou has received a A\$2m loan from ILC Investments Pty Ltd**
- **Interest rate of 10% per annum**
- **The loan is unsecured and has a three-year term**

Background

ILC Investments Pty Ltd ("ILC") has provided a A\$2m loan to the Company (the "Loan") as part of their continued support of Tlou's projects. ILC is already Tlou's largest shareholder having provided A\$7.5m in capital via previous share placements. ILC has also indicated it is willing to continue to provide funding support to assist the Company to reach its goal of connecting to the power grid and earning first revenue through the sale of electricity in Botswana.

Terms

The Loan has a three-year term, commencing on 1 May 2023 and there are no arrangement fees. Interest will be charged at 10% per annum and payable each quarter. The interest rate reflects the fact that the Loan is unsecured and is only scheduled to be repaid at the end of the term (30 April 2026). However, the Loan is proposed to cover short term requirements and can be repaid in advance at any time without penalty should funds be available to do so.

Tlou will drawdown the Loan in full from the date of the agreement. Funds are planned to be used to further Tlou's operations in Botswana and working capital requirements. Tlou will also continue its efforts to source further capital to advance its projects and will update the market in due course.

Related Party Transaction

By virtue of the direct shareholding held by ILC in the Company, the Loan constitutes a related party transaction pursuant to Rule 13 of the AIM Rules for Companies. The directors of the Company, having consulted with the Company's nominated adviser, Grant Thornton UK LLP, consider that the terms of the Loan are fair and reasonable insofar as the Company's shareholders are concerned.

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.

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.