TLOU ENERGY

25 June 2026 **Announcement**

Operational Update and Strategic Priorities

Tlou Energy Limited ("Tlou" or "the Company") is pleased to provide shareholders with an update on operational activities and strategic priorities at its Lesedi Project in Botswana.

Gas Production Operations

Gas production continues from both the Lesedi 4 ("L4") and Lesedi 6 ("L6") wells.

Gas from L4 is currently supplying the Kala Data Centre facility, representing the Company's first commercial gas utilisation project and first revenue-generating gas operation. Gas produced from L6 is currently being flared while options to commercialise this production are assessed.

The Company remains focused on increasing gas production from both wells through optimisation of pumping systems and ongoing reservoir management activities.

Reservoir Assessment

Recent technical assessments have identified the possibility that water production from L4 and L6 may be influenced by communication between the Lower Morupule Coal Seam ("LMC") and an underlying sandstone formation.

The Company is engaging specialist hydrologists and reservoir engineers to further assess reservoir behaviour and evaluate potential options to reduce water ingress into the coal seams.

The Board believes that obtaining a more comprehensive understanding of reservoir performance before undertaking significant additional drilling expenditure is a prudent approach.

Kala Data Centre Expansion

The Kala Data Centre continues to provide an opportunity for increased gas utilisation and revenue generation. L4 is currently connected to the facility. L6 remains unconnected due to its distance from the existing pipeline infrastructure.

The Company is assessing options to connect L6 to the existing gas gathering system with the objective of increasing gas utilisation and reducing flaring.

Lesedi Infrastructure

The Lesedi operations camp and supporting infrastructure are being reviewed to ensure readiness for future development activities. Maintenance, repairs and upgrades are planned where necessary to support future field operations.

Transmission Line

The Company has completed construction of the transmission line connecting the Lesedi Project to the Botswana power network. Completion of the substation represents the final major infrastructure component required to enable grid connection.

Lesedi Substation

The Lesedi substation is approximately 90% complete. Management estimates that around three months of work and capital expenditure of approximately US$600,000 would be required to complete the facility. These estimates are subject to engineering review, contractor availability and funding.

Completion of the substation remains a priority as it will provide the ability to connect future generation projects to the Botswana electricity grid.

Evaluation of Additional Coal Seams

While development activities have primarily focused on the Lower Morupule Coal Seam, the Company's licence areas also contain the Upper Morupule and Serowe coal seams.

Tlou is assessing opportunities to undertake further geological evaluation work, including potential core-hole drilling programs, to better understand the development potential of these additional coal seams.

Reservoir Modelling

The Company is assessing opportunities to undertake additional reservoir modelling and geological assessment work to improve understanding of both the immediate L4/L6 area and the broader basin.

This work is expected to assist in evaluating future development opportunities and optimising infrastructure utilisation.

Solar and Battery Opportunities

Tlou continues to assess opportunities to incorporate solar generation and battery storage technologies into its operations.

Potential applications include reducing diesel consumption at field operations and supporting future power generation opportunities.

Any future projects will be subject to technical, commercial and funding assessments.

Strategic Priorities

The Company's near-term priorities include:

- Optimising production from L4 and L6;
- Increasing gas utilisation through the Kala Data Centre;
- Completing the Lesedi substation;
- Improving reservoir understanding through further technical studies;
- Evaluating solar and battery opportunities; and
- Advancing funding initiatives to support project development.

Progressing a number of these initiatives will require additional capital and therefore funding remains a key strategic priority for the Company.

Funding

Funding remains a key focus for the Company. The Board continues to evaluate funding opportunities that would support increased gas production, completion of key infrastructure and expansion of revenue-generating activities.

There can be no certainty that any funding initiative currently under consideration will be completed or completed on acceptable terms.

The Company will continue to update shareholders on material developments in accordance with its continuous disclosure obligations.

A separate Letter to Shareholders providing additional commentary on the Company's activities and strategic outlook accompanies this announcement.

This announcement has been authorised for release by the Board of Directors of Tlou Energy Limited.

Mr. Colm Cloonan

Interim Managing Director

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About Tlou Energy Limited

Tlou Energy Limited (ASX:TOU | BSE:TLOU) is an energy development company focused on delivering reliable power solutions in Botswana and the broader southern African region. The Company is progressing the development of its coal bed methane resources and complementary energy opportunities to support energy security, economic growth and long-term value creation.

Forward-Looking Statements

This announcement may contain forward-looking statements that are based on current expectations, estimates, projections, and assumptions made by Tlou Energy Limited. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors, many of which are beyond the Company's control, that could cause actual results, performance, or achievements to differ materially from those expressed or implied by such forward-looking statements.

Forward-looking statements in this announcement speak only as at the date of this release. Except as required by applicable laws or regulations, Tlou Energy Limited does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these statements.