THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this document or the action you should take, you are recommended to seek your own personal financial advice from your own stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the United Kingdom Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your shares in Tlou Energy Limited prior to the Ex-entitlement Date, please forward this document and the accompanying documents to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was made for onward transmission to the purchaser or transferee. If you have sold or otherwise transferred some of your shares in Tlou Energy Limited prior to the Ex-entitlement Date, you should contact your stockbroker, bank or other agent through whom the sale or transfer was effected and refer to the instructions regarding split applications set out in the accompanying Entitlement and Acceptance Form. However, this Offer Booklet and/or any accompanying documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction.

The total consideration under the Offer shall be less than €8 million (or an equivalent pounds sterling amount) in aggregate and so, in accordance with Section 85 and Schedule 11A of FSMA, the Offer does not require the issue of a prospectus for the purposes of the Prospectus Regulation Rules. The Offer does not constitute an offer to the public requiring an approved prospectus under section 85 of FSMA and accordingly this document does not constitute a prospectus for the purposes of the Prospectus Regulation Rules. This document has not been, and will not be, reviewed or approved by the FCA pursuant to sections 85 of FSMA, the London Stock Exchange, any securities commission or any other authority or regulatory body. In addition, this document does not constitute an AIM Admission Document drawn up in accordance with the AIM Rules.

TLOU ENERGY

ABN 79 136 739 967

NON-RENOUNCEABLE PARTIALLY UNDERWRITTEN ENTITLEMENT OFFER BOOKLET

A Non-Renounceable Pro-Rata Partially Underwritten Entitlement Offer of up to 75,030,031 Shares at an Issue Price of A$0.04 (equivalent to £0.022 or BWP0.32) per Offer Share with New Options attached ("Offer") to raise up to approximately A$3.0 million on the basis of:

1 Offer Share for every 6 Shares

and

1 New Option for every 2 Offer Shares subscribed for

Each New Option will have an exercise price of $0.08 (8 cents) (equivalent to £0.044), expire 2 years from issue and will, upon exercise, entitle the holder to one fully paid Share.

The Offer opens at 9am AEST on 25 June 2020 he Offer closes at 5pm AEST on 13 July 2020

The Offer is partially underwritten (for A$2 million) by Melbourne Capital Limited

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Offer Booklet dated 15 June 2020 and the accompanying personalised Entitlement and Acceptance Form contain important information. Please read both the Offer Booklet and the personalised Entitlement and Acceptance Form carefully and in their entirety and call your professional adviser or Tlou Energy Limited if you have any queries. In particular, Eligible Shareholders should refer to the letter from the Chairman set out in Part 1 of this document explaining the background to, and reasons for, the Offer and to the risk factors set out in Part 3 of this document. If you do not understand these documents, or are in doubt as to how to act, you should consult your financial or other professional adviser before making any investment decision.

The Offer Booklet is not a prospectus prepared in accordance with the Corporations Act and has not been lodged with ASIC. Accordingly, this Offer Booklet does not necessarily contain all of the information which a prospective investor may require to make an investment decision and it does not contain all of the information which would otherwise be required to be disclosed in a prospectus or other disclosure document. As Tlou Energy Limited is a listed disclosing entity which meets the requirements of section 708AA of the Corporations Act, as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84, the Offer will be made without a prospectus.

Neither ASIC nor ASX, nor any of their officers or employees takes responsibility for this Offer or the merits of the investment to which this Offer relates. The London Stock Exchange has not approved the contents of this document.

The Existing Shares are admitted to trading on AIM, ASX and BSE. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Application will be made for the Offer Shares to be admitted to trading on ASX, AIM and the BSE. It is expected that admission to trading on AIM expected to occur at 8 a.m. (BST) on 21 July 2020 (London time) and ASX and the BSE quotation on 21 July 2020. The Offer Shares will be issued free of expenses and will, on issue, rank *pari passu* in all respects with the Existing Shares on issue, including the right to receive all dividends and distributions declared, or paid after the date of issue. Quotation of the New Options will not be made and the New Options shall remain unlisted.

An Entitlement and Acceptance Form for use by Eligible Shareholders accompanies this document. Eligible Depositary Interest Holders (who will not receive an Entitlement and Acceptance Form) will receive a credit to their appropriate stock accounts in CREST in respect of the Entitlement and Excess Shares which will be enabled for settlement on 26 June 2020. Applications under the Offer may only be made by an Eligible Holder originally entitled or by a person entitled by virtue of a bona fide market claim arising out of a sale or transfer of an Existing Share or Depositary Interest prior to the date on which the Existing Share or Depositary Interests were marked “ex” the entitlement by the London Stock Exchange.

The distribution of this Offer Booklet or the Entitlement and Acceptance Form in or into jurisdictions other than the United Kingdom, Australia and New Zealand may be restricted by law and therefore any persons who are subject to the laws of any other jurisdiction should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the laws of such jurisdiction. This document does not constitute an offer or invitation to purchase or subscribe for any

securities or a solicitation of an offer to buy any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful. For the avoidance of doubt, such restricted jurisdictions include, but are not limited to, Botswana (unless the BSE approves the Offer), the United States, Canada, Japan, and the Republic of South Africa. No person should construe the contents of this document as legal, tax or financial advice and recipients of this document should consult their own advisers as to the matters described in this document.

Neither this document nor the Entitlement and Acceptance Form constitutes an offer to sell or issue, or the solicitation of an offer to subscribe for or buy, securities in any jurisdiction in which such offer or solicitation is unlawful and, in particular, is not for distribution into Botswana (unless the BSE approves the Offer), the United States of America, Canada, the Republic of South Africa or Japan. Neither the Offer Shares nor the New Options have been nor will be registered under the United States Securities Act 1933 (as amended) nor under the applicable securities laws of the United States of America or any province or territory of Canada, the Republic of South Africa or Japan, nor in any country or territory where to do so may contravene local securities laws or regulations and will not be made to any national, resident or citizen of Botswana (unless the BSE approves the Offer), the United States of America, Canada, the Republic of South Africa or Japan. The distribution of this document and the Entitlement and Acceptance Form in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdictions. Neither the Offer Shares nor the New Options have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

IMPORTANT INFORMATION

No person is authorised to give any information or make any representation in connection with the Offer other than as contained in this Offer Booklet. Any information or representation in connection with the Offer not contained in this Offer Booklet is not, and may not be relied upon as having been, authorised by the Company or any of its officers.

This Offer Booklet should be read in its entirety before you decide to participate in the Offer. This Offer Booklet is not a prospectus or other disclosure document under the Corporations Act and has not been lodged with ASIC.

By returning an Entitlement and Acceptance Form, or otherwise paying for your Offer Shares through BPAY in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Offer Booklet and you have acted in accordance with and agree to the terms of the Offer detailed in this Offer Booklet.

Notwithstanding any references to the contrary, all references to time in this Offer Booklet are to AEST.

References to "you" and "your Entitlement"

In this Offer Booklet, references to "you" are references to Eligible Holders.

No Entitlement trading or Cooling Off

Entitlements are non-renounceable and will not be tradable on the ASX, AIM or BSE or otherwise transferable. Cooling off rights do not apply to an investment in Offer Shares. Accordingly, you cannot, in most circumstances, withdraw your Application once it has been accepted.

Defined terms

Defined terms and abbreviations used in this Offer Booklet are explained in Part 5 Glossary.

Financial Forecasts and Forward Looking Statements

Some of the statements appearing in this Offer Booklet may be in the nature of forward looking statements, including statements of financial condition, results of operations, projects and business of Tlou Energy and certain plans, intentions, statements of opinion and predictions as to possible future events. These may be identified by words such as 'may', 'could', 'believes', 'estimates', 'expects', or 'intends' and other similar such words that involve risks or uncertainties.

You should be aware that such statements are not statements of fact or guarantees and there can be no certainty of outcome in relation to the matters to which the statements relate. Forward looking statements are subject to many inherent risks and uncertainties before actual outcomes are achieved. These risk factors are discussed further in Part 3 of this Offer Booklet. Actual outcomes may differ materially from the events, intentions or results expressed or implied in any forward looking statement in this Offer Booklet.

To the maximum extent permitted by law, none of Tlou Energy or any person named in this Offer Booklet or any person involved in the preparation of this Offer Booklet makes any representation or warranty, assurance or guarantee (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any intentions or outcomes expressed or implied in any forward looking statement and disclaim all responsibility and liability for such forward looking statements (including, without limitation, liability for negligence). In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of Tlou Energy. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Applicants should consider the forward-looking statements contained in this Offer Booklet in light of those disclosures. Except as required by law or regulation (including ASX Listing Rules and AIM Rules for Companies), the Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events

or any other factors affect the information contained in this Offer Booklet, except where required by law. You are cautioned not to place undue reliance on any forward looking statement having regard to the fact that the outcome may not be achieved.

Any pro forma financial information (including past performance information) provided in this Offer Booklet is for information purposes only and is not a forecast of operating results to be expected in any future period. Except as required by law, and only then to the extent so required, neither Tlou Energy nor any other person warrants or guarantees the future performance of Tlou Energy or any return on any investment made pursuant to this Offer Booklet.

Privacy Act

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or to the Company's Share Registry). The lodgement of the application will evidence acknowledgement that the Company collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons lawfully entitled to inspect the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you by contacting the Company or its Share Registry. Collection, maintenance and disclosure of certain personal information is governed by legislation and regulatory bodies including the Privacy Act 1988 (Cth) (as amended), the Corporations Act, as well as certain rules such as the ASX Settlement Operating Rules.

You should note that if you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application.

Not investment advice

The information provided in this Offer Booklet does not constitute financial product advice or investment advice and does not take into account your investment objectives, financial situation or particular needs. If after reading this document, you have questions about the Offer, you should contact your stockbroker, accountant or other professional advisers.

The potential tax effects of the Offer will vary between individual investors, and each investor should seek their own professional taxation advice before deciding whether or not to participate in the Offer.

If you have any questions about your Entitlement to the Offer Shares or New Options, please contact either Tlou Energy using the contact details provided in the Corporate Directory or your stockbroker or professional adviser.

Trading Offer Shares

The Company and the Underwriter will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade Offer Shares or New Options they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry or otherwise, or who otherwise trade or purport to trade Offer Shares or New Options in error or which they do not hold or are not entitled to.

If you are in doubt as to these matters, you should first consult with your financial or other professional advisor.

Risks

You should consider the Part 3 (Risk Factors) for a summary of general and specific risk factors that may affect Tlou Energy.

Publicly available information

The Offer Booklet should be read in conjunction with Tlou Energy's continuous disclosure announcements made to the ASX available from the ASX website (at www.asx.com.au – Tlou Energy ASX Code: TOU). Tlou Energy may release further announcements after the date of this Offer Booklet which may be relevant to your consideration of the Offer. However the contents of the Company's website do not form part of this document and Shareholders should not rely on them.

Past performance

Investors should note that past performance, including past Share price performance, cannot be relied on as an indicator of, and provides no guidance as to, future Company performance, including future Share performance.

Exchange Rate

Unless otherwise stated, the rates of exchange used for the purpose of this document are:

A$1.00	GBP £0.55
A$1.00	USD $0.69
A$1.00	BWP 8.00

KEY ENTITLEMENT OFFER DETAILS

Key Statistics	
Number of Existing Shares in issue on the date of this document	450,180,185
Offer Price	A$0.04 per Offer Share or £0.022 per Depositary Interest or BWP0.32 payable in full on application
Ratio	1 Offer Share for every 6 Shares held
Number of New Options	1 New Option for every 2 Offer Shares subscribed for
Maximum number of Offer Shares to be issued under the Offer	75,030,031
Maximum number of New Options to be issued under the Offer(2)	57,515,015
Maximum number of Shares on issue following the Offer	525,210,216
Maximum number of New Options in issue following the Offer (2)	57,515,015
Maximum percentage of Enlarged Issued Share Capital represented by the Offer Shares	14.3%
Maximum percentage of Enlarged Issued Share Capital represented by the Offer Shares and New Options (if 100% of New Options Exercised)	22.7%
Estimated maximum gross proceeds receivable by the Company under the Offer(1)	$3,001,201
ISIN	AU000000TOU2
ISIN – Basic Entitlements	[•]
ISIN – Excess Entitlements	[•]

(1) Assuming full take up of Offer Shares under the Offer. However, as the Offer is only partially underwritten by the Underwriter, there is no guarantee that the Company will be able to raise the total amount sought.

(2) The Company is granting New Options to Eligible Shareholders that take up the Offer. Also up to 20,000,000 New Options may be granted by the Company to the Underwriter on completion of the Offer, pursuant to the Underwriting Agreement.

Many of the figures in the above table assume that the Offer is fully subscribed. However, if the Company only raises the Underwritten Amount, certain of the above noted figures will be reduced accordingly.

Indicative Timetable for the Entitlement Offer *	
Activity	**Date**
Announcement of the Offer, Lodgement of offer booklet, Appendix 3B and 708AA(2)(f) cleansing notice with the ASX	15 June 2020
Letter to Eligible and Ineligible Shareholders Re: The Offer	17 June 2020
Ex-entitlement Date	19 June 2020
Record Date for entitlement under the Offer (7.00pm AEST in respect of Eligible Shareholders and 6 p.m. (BST) in respect of Eligible Depositary Interest Holders)	22 June 2020
Publication and mailing of the Offer Booklet and Entitlement and Acceptance Form	25 June 2020
Offer opens	25 June 2020
Entitlements and Excess CREST Offer Entitlements credited to stock accounts of Eligible Depositary Interest Holders	26 June 2020
Recommended latest time for requesting withdrawal of Entitlements from CREST (to satisfy bona fide market claim only)	3 July 2020
Latest time and date for depositing Entitlements into CREST (to satisfy bona fide market claim only)	3 July 2020
Last day to extend the Offer Closing Date	8 July 2020
Closing date – latest time and date for settlement of CREST application and payment in full under the Offer (11 am BST)	10 July 2020
Closing date – latest time and date for receipt of completed Entitlement and Entitlement and Acceptance Forms and payment in full under the Offer (5pm AEST)	13 July 2020
Trading on deferred settlement basis on the ASX	14 July 2020
ASX and AIM notified of subscriptions for Offer Shares and Excess Shares	16 July 2020
Excess Shares Settlement	17 July 2020
Allotment of Offer Shares and grant of New Options issued under the Offer and Lodgement of Appendix 3B.	20 July 2020
Expected Despatch of Holding Statement and Normal ASX trading for Offer Shares issued under the Offer.	21 July 2020
Admission and commencement of dealings in Offer Shares on AIM and CREST accounts credited with Offer Shares (in Depositary Interest form) (8 am BST)	21 July 2020
Expected Despatch of certificates for New Options	21 July 2020

*The above dates are indicative only and may be subject to change. Subject to the Corporations Act, the Listing Rules, the AIM Rules and other applicable laws, the Directors reserve the right to vary the dates of the Offer in consultation with the Underwriter, in which event details of the new times and dates will be notified by means of an announcement through a Regulatory Information Service and on the Company's announcement platform of the ASX. The Directors reserve the right not to proceed with the whole or part of the Offer at any time prior to issue of the Offer Shares. In that event, Application Monies (without interest) will be returned in full to the Applicants. An extension of the Closing Date for the Offer will delay the anticipated date for issue of the Offer Shares and grant of the New Options. The commencement of quotation of Offer Shares is subject to confirmation from ASX, BSE and the application to AIM.

Unless otherwise stated, references to times in this document are to times in London for holders of Depositary Interests and to times in Sydney, Australia for holders of Shares on ASX and to times in Gaborone, Botswana for holders of shares on BSE.

Eligible Shareholders wishing to participate in the Offer are encouraged to submit their Entitlement and Acceptance Form and Application Monies as soon as possible after the Offer opens.

Depositary Interest holders who have any queries on the procedure for acceptance and payment should contact Computershare UK on 0370 702 0000 between 8.30 a.m. and 5.30 p.m. (BST) Monday to Friday (except UK public holidays) from within the UK or +44 370 702 0000 if calling from outside the UK. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any legal or tax advice.

BSE holders who have any queries on the procedure for acceptance and payment should contact Corpserve Botswana on +267 393 2244 between 8.00 a.m. and 4.30 p.m. (Gaborone time) Monday to Friday (except public holidays) or via email at contactus@corpservebotswana.com. The helpline cannot provide advice on the merits of the Offer nor give any legal or tax advice.

Part 1

LETTER FROM THE CHAIRMAN

TLOU ENERGY LIMITED

(ABN 79 136 739 967)

Registered Office:
210 Alice Street
Brisbane QLD 4000
Australia
15 June 2020

Dear Shareholder

Partially Underwritten Offer of 1 Offer Shares for every 6 Shares at A$0.04 per Share with 1 free-attaching unlisted New Option for every 2 Offer Shares subscribed for

1. Introduction

On behalf of the Board of Tlou Energy, I invite you to participate in the Company's partly underwritten non-renounceable pro-rata entitlement offer of 1 Offer Share for every 6 Shares held at the Record Date, at an Issue Price of A$0.04 per Offer Share (or £0.022 per Depositary Interest, or BWP0.32) to raise approximately A$3 million. For every two Offer Shares subscribed for and allotted, the Eligible Holders will be issued with an unlisted New Option to subscribe for Shares for a period of 2 years at a price of $0.08 (8 cent) (equivalent to £0.044 or BWP0.64) per New Option.

The net proceeds of the Offer, together with the Company's existing cash, will be used to fund: detailed engineering and design of the proposed 66kV transmission line to connect the Lesedi project to the electricity grid; due diligence costs in relation to the provision of development funding for the Lesedi project; continue current field operations; as well as general working capital requirements.

Under the Entitlement Offer, Eligible Holders who are on the Company's share register at 7.00pm (AEST) in respect of Eligible Shareholders and 6 p.m. (BST) in respect of Eligible Depositary Interest Holders on, 22 June 2020, being the Record Date, will be entitled to subscribe for 1 Offer Share for every 6 Shares (or Depositary Interests) held, on the terms and conditions set out in this Offer Booklet. Eligible Holders who subscribe for their full Entitlement may also apply for Offer Shares in excess of their Entitlement in accordance with the Excess Application Facility. For every two Offer Shares subscribed for by the Eligible Holders, they will be issued with an unlisted New Option to subscribe for Shares for a period of 2 years at a price of $0.08 (8 cent) (equivalent to £0.044 or BWP0.64) per New Option. Certain of the Directors of Tlou Energy have confirmed their intentions to participate in the Offer for all or part of their Entitlements as an indication of their ongoing support for the Company, further details are set out in this Offer Booklet.

The Offer is partly underwritten for the First Tranche of the Offer, being A$2 million, by Melbourne Capital Limited, a summary of the Underwriting Agreement is set out in paragraph 4, in Part 4.

In addition the Underwriter has entered into sub-underwriting arrangements with certain third parties, including: SARES2 Pty Ltd and Gilby Super Pty Ltd (both being entities in which Mr Anthony Gilby (Managing Director of Tlou Energy) has a controlling interest), Mr Hugh Swire (Non-Executive Director of Tlou Energy) and Mr Colm Cloonan (Finance Director of Tlou Energy).

Entitlements are non-renounceable and will not be tradeable on ASX, AIM or BSE or otherwise transferrable. Eligible Shareholders who do not take up their Entitlement will not receive any value in respect of those Entitlements.

The Issue Price represents a 31% discount to the last traded price of Shares on the ASX as at 12 June 2020, being the last trading day prior to the announcement of the Offer, and also represents a 28% discount to the theoretical ex-rights price.

The Offer is scheduled to close at 7.00p.m. (AEST) on 13 July 2020 (and the latest time and date for settlement of CREST applications and payment in full under the Offer is 11 a.m. (BST) on 10 July 2020).

Full details of the Offer and how to participate can be found in this Offer Booklet. Part 2 of this document and, where relevant, the Entitlement and Acceptance Form (which is being sent to all Eligible Shareholders), contain the formal terms and conditions of the Offer. I encourage you to read this document before deciding whether or not to take up your Entitlement. If you have any questions in respect of the Offer please consult your stockbroker, accountant or other professional adviser.

As a Board, we appreciate the support of our existing Shareholders and we have been mindful of providing existing Shareholders, the opportunity to increase their investment in the Company.

We look forward to your participation in the Offer.

Mr. Martin McIver
Non-Executive Chairman

2. Use of Funds From Offer

The gross proceeds (before the payment of the costs associated with the Offer) raised under the Offer are expected to be between approximately A$2 million (the Underwritten Amount) and A$3,001,201 (such amount assumes that all Eligible Shareholders take up their full Entitlement).

The Company intends to apply the funds raised under the Offer, along with existing cash to fund: detailed engineering and design of the proposed 66kV transmission line to connect the Lesedi project to the electricity grid; due diligence costs in relation to the provision of development funding for the Lesedi project; continue current field operations; as well as general working capital requirements.

The above is a statement of the Board's current intentions as at the date of this Offer Booklet. However, Shareholders should note that, as with any budget, the allocation of funds set out above may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

3. Principal Terms of the Offer

Summary of the Offer

The Company is conducting a partly underwritten offer of Offer Shares to Eligible Shareholders.

Summary of Offer	
Issue Price per Offer Share	A$0.04 per Offer Share or £0.022 per Depository Interest or BWP0.32 payable in full on application
Entitlement	1 Offer Share for every 6 Shares held on the Record Date
New Options	1 New Option for every 2 Offer Shares subscribed for
Discount of the Issue Price to the ASX closing price of A$0.0580 on 12 June 2020	31%
Discount of the Issue Price to the theoretical ex-entitlements price of A$0.055 using the ASX closing price on 12 June, 2020	28%
Maximum number of Offer Shares to be issued under the Offer	75,030,031
Maximum number of New Options to be issued under the Offer[1]	57,515,015
Minimum amount to be raised under the Offer[2]	$2,000,000
Maximum amount to be raised under the Offer[3]	$3,001,201
Maximum number of Shares on issue following the Offer assuming the Offer is fully subscribed.	525,210,216
Maximum number of New Options on issue following the Offer	57,515,015

(1) The Company is granting New Options to Eligible Shareholders that take up the Offer. Also up to 20,000,000 New Options may be granted by the Company to the Underwriter on completion of the Offer, pursuant to the Underwriting Agreement

(2) On the basis of the Directors subscribing for 18,750,000 Offer Shares and the Underwriter taking up its minimum subscription.

(3) Assuming full take up of Offer Shares under the Offer. However, as the Offer is only partially underwritten by the Underwriter, there is no guarantee that the Company will be able to raise the total amount sought.

Eligible Holders who are recorded on the Company's share register at 7.00pm (AEST) on 22 June 2020, being the Record Date, will be entitled to subscribe for 1 Offer Share for every 6 Shares held on the Record Date. The Issue Price for each Offer Share is A$0.04(or £0.022 per Depositary Interest, or BWP0.32), which is payable in full on application. Fractional Entitlements are being rounded down to the next whole Offer Share.

For every two Offer Shares subscribed for, the Eligible Holders will be issued with an unlisted New Option to subscribe for Shares for a period of 2 years at a price of $0.08 (8 cent) (equivalent to £0.044 or BWP0.64) per New Option. The New Options are non-transferable and exercise of the New Options will entitle the holder to one fully paid Share. Further terms of the New Options and the basis on which they will be issued are set out on section 11 of this Offer Booklet.

To participate in the Offer, Eligible Holders need to ensure that Entitlement and Acceptance Forms and/or payment of Application Monies is received by the Company on or before the Closing Date, in accordance with the instructions in Part 2.

The Offer is being structured so as to allow Eligible Holders to subscribe for any whole number of Offer Shares at the Issue Price up to their maximum entitlement. In the case of Eligible Shareholders, this maximum entitlement shall be equal to the number of Offer Shares as shown in their Entitlement and Acceptance Form. In the case of Eligible Depositary Interest Holders, this maximum entitlement shall be equal to the number of Offer Entitlements standing to the credit of their stock account in CREST. Eligible Holders may also make applications in excess of their pro rata initial entitlement pursuant to the Excess Application Facility. To the extent that pro rata entitlements to Offer Shares are not subscribed by Eligible Holders, such Offer Shares will be available to satisfy such excess applications. The action to be taken in relation to the Offer depends on whether, at the time at which application and payment is made, you have an Entitlement and Acceptance Form in respect of your entitlement to Offer Shares or have Offer Entitlements credited to your stock account in CREST in respect of such entitlement.

The offer will be available to BSE holders subject to BSE approval of the Offer Document which is expected on or around Wednesday 24 June 2020. If approval is granted entitlement and acceptance forms will be sent to all BSE holders to participate in the offer.

The maximum number of Offer Shares to be issued under the Offer will be 75,030,031 to raise up to approximately $3,001,201 million (before costs). The details of the use of the proceeds of the Offer are set out in paragraph 3 (Use of funds) above.

All of the Offer Shares offered under this Offer Booklet will rank equally with the Shares on issue at the date of this Offer Booklet, on and from their date of issue.

If you have received an Entitlement and Acceptance Form with this document, please refer to paragraph 4.1 of Part 2.

If you have Depository Interests and have received a credit or Offer Entitlements to your CREST stock account, please refer to paragraph 4.2 of Part 2 and also the CREST Manual for further information on the CREST procedures referred to below.

For clarity for those Shareholders who are in Australia, New Zealand and the UK, the Offer is a non-renounceable pro rata rights offer, as that term is used in Australia, and will be offered under section 708AA of the Corporations Act. Accordingly, there will be no trading of rights on the ASX and you may not dispose

of your rights to subscribe for Offer Shares under the Offer to any other party. If you do not take up your Entitlement to Offer Shares by the Closing Date, your Entitlement will lapse.

The Offer is not a rights issue, as that term is used in England and Wales. Eligible Depositary Interest Holders should note that although the Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Offer may only be made by the Eligible Holder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear UK & Ireland's Claims Processing Unit. Eligible Shareholders should note that the Entitlement and Acceptance Form is not a negotiable document and cannot be traded. Eligible Holders should be aware that in the Offer, unlike in a rights issue (as this term is used in England and Wales), any Offer Shares not applied for will not be sold in the market or placed for the benefit of Eligible Holders who do not apply under the Offer.

Eligible Holders are referred to paragraph 2 of Part 2: "Terms and Conditions of the Offer" and in particular to the dilutive effect of the Offer on Shareholders.

Performance rights holders are not entitled to participate in the Offer.

Certain of the Directors who are Eligible Shareholders or Eligible Depositary Interest Holders have indicated their intentions to participate in the Offer for all or part of their Entitlements as an indication of their ongoing support for the Company; further details are set out in paragraph 8 below. As prescribed by the ASX Listing Rules, they are generally not entitled to receive any additional Offer Shares above their entitlement without shareholder approval.

The Directors may, at any time, decide to withdraw this Offer Booklet and the offers of Offer Shares and New Options made under it, in which case the Company will return all Application Monies (without interest) within 28 days of giving such notice of withdrawal.

4. Eligibility to participate in Offer

The Offer is being offered to Eligible Shareholders only. Eligible Shareholders are persons who are registered as a holder of Shares as at the Record Date that:

- have a Registered Address in the United Kingdom, Australia or New Zealand or are a Shareholder that Tlou Energy has otherwise determined (in its absolute discretion) is eligible to participate in the Offer; and
- is not located in the United States and are not a US Person or acting for the account of or benefit of a person in the United States or a US Person.

Shareholders, who are not Eligible Shareholders, will not be entitled to participate in the Offer or to subscribe for Offer Shares. The restrictions upon eligibility to participate in the Entitlement Offer arise because Tlou Energy has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Corporations Act, This decision has been made after taking into account that it would be unreasonable to extend the Offer to Ineligible Shareholders as it is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas shareholders, the number and value of Shares these shareholder would be offered and the cost of complying with the regulatory compliance in each relevant jurisdiction in which the Ineligible Shareholders are located.

Shareholders resident in Botswana

The Offer may be made available to Shareholders who are resident in Botswana subject to the Company receiving approval from the BSE, which is expected on or around 24 June 2020. If approval is granted by the BSE an Entitlement and Acceptance Form will be sent to such Shareholders resident in Botswana, and they will be deemed to be "Eligible Shareholders" at such time.

5. Excess Application Facility

Eligible Shareholders, who apply for their full Entitlement, may apply for Excess Shares in excess of their Entitlement, provided that the issue of those Excess Shares will not result in a breach of the Listing Rules or any applicable law. Any Excess Shares will be limited to the extent that there are sufficient Offer Shares available after satisfying all Applications received from Eligible Shareholders pursuant to the Offer (i.e. there is a shortfall between the number of Offer Shares applied for under the Offer and the total number of Offer Shares offered to Eligible Shareholders under the Offer).

It is your responsibility to ensure that you will not breach the takeovers provisions in the Corporations Act by applying for Excess Shares.

For the avoidance of doubt, if an Eligible Holder subscribes for Excess Shares, such Excess Shares will also be entitled to 1 New Option for every 2 Excess Shares.

If you apply for Excess Shares, then, subject to the Directors retaining discretion to refuse to accept applications (in whole or in part) for Excess Shares where the effect of issuing Excess Shares (together with the New Options) will result in the applicant's, or another person's, Voting Power in the Company increasing from 20% or below to more than 20%, applicants under the Excess Application Facility will be allocated the lesser of:

- the number of Excess Shares applied for; and
- if the number of Excess Shares available for subscription is less than the aggregate number of Excess Shares applied for by all unsatisfied applicants, the number of Excess Shares applied for, scaled back on a pro rata basis according to all unsatisfied applicants' respective shareholdings in the Company as at the Closing Date for the Offer.

If, following the allocation process referred to immediately above, there are any remaining Excess Shares, that allocation process will be repeated continuously until all applications for Excess Shares have been satisfied in full or there are no further Excess Shares.

Following completion of the above process, if any remaining Excess Shares, for the First Tranche of the Offer are outstanding they will be issued to the Underwriter or its nominees in accordance with the Underwriting Agreement, subject to a maximum of 50,000,000 Offer Shares.

Tlou Energy's decision as to the number of Excess Shares to be allocated to you will be final and binding. If scaling back occurs, Application Monies in relation to Excess Shares applied for but not issued will be refunded by cheque or bank transfer or where such Overseas Shareholder is an Eligible Depositary Interest Holder by CREST payment, as appropriate, without interest. There is no guarantee that Eligible Holders will receive any or all of the Excess Shares they apply for as the Company retains the discretion to allocate Excess Shares as it sees fit.

Eligible Shareholders who wish to apply for Excess Shares should insert the number of Excess Shares that they want to apply for in the appropriate Section of the Entitlement and Acceptance Form or otherwise, following the instructions in that form if paying via BPAY. Eligible Depositary Interest Holders should follow the instructions in paragraph 4.2(f) of Part 2. Any Excess Shares that are applied for must be paid for at

the same time, and in the same way, that the Offer Shares to be issued pursuant to the acceptance of Entitlements are paid for.

Offer Shares, including Excess Shares issued under the Excess Application Facility will rank equally with the Company's existing Shares.

6. Offer Partially Underwritten

The Offer is partly underwritten by the Underwriter Subject to the terms of the Underwriting Agreement, the Underwriter will lodge or cause to be lodged with the Company Applications for up to 50,000,000 Offer Shares (equivalent to a subscription of A$2 million) not subscribed for by Eligible Shareholders. If the Company receives Applications from Eligible Shareholders for A$2 million or more, the Underwriters obligations will fall away. The Underwriter has appointed sub-underwriters (including certain Directors as set out in paragraph 7 below) such that its relevant interests will not trigger the provisions of Chapter 6 of the Corporations Act.

A summary of the material terms of the Underwriting Agreement is set out in paragraph 4 of Part 4.

7. Directors' intentions and participation

Tony Gilby, Colm Cloonan and Hugh Swire, being Directors of the Company, have each undertaken to subscribe for their full Entitlements under the Offer and to enter into sub-underwriting arrangements with the Underwriter for up to $750,000 (18,750,000 Offer Shares) in total, as detailed in the tables below.

	Number of Shares held*	Number of Offer Shares to be subscribed for under the Entitlement Offer	Maximum number of shares under the sub-underwriting commitment**	Maximum Entitlement take up and sub-underwriting commitment
Tony Gilby	21,989,580	2,578,191	9,921,809	$500,000
Colm Cloonan	1,181,112	196,852	553,148	$30,000
Hugh Swire	4,560,092	760,015	4,739,985	$220,000

* Includes interests held by the Directors, related parties and entities in which the Directors have a controlling interest.

** In respect of the sub-underwriting arrangements, each of the Directors will be required to subscribe for any sub-underwriting shortfall on a priority basis before other non-Director sub-underwriters and will not receive any fees from the Underwriter.

	As at the date of this document		*As at Admission*			*Fully Diluted on exercise of New Options*	
	Number of Shares held	Maximum number of Offer Shares to be	Maximum number of	Maximum % of Enlarged	Maximum number	Maximum number of Shares held if New	Maximum % of Enlarged Issued

		subscribed for	Shares held	Issued Share Capital[1]	of New Options	Options exercised	Share Capital[2]
Tony Gilby[3]	21,989,580	12,500,000	34,489,580	6.57%	6,250,000	40,739,580	6.99%
Colm Cloonan[3]	1,181,112	750,000	1,931,112	0.37%	375,000	2,306,112	0.40%
Hugh Swire[3]	4,560,092	5,500,000	10,060,092	1.92%	2,750,000	12,810,092	2.20%

1 Assuming full subscription under the Offer

2. Assumes that all New Options are exercised and converted to fully paid Shares

3. Includes Associated entities]

8. Capital structure

The principal effect of the Offer will be to increase the total number of Shares and to increase the cash reserves by up to approximately $3.0 million (before deducting the costs of the Offer).

The following table shows the capital structure of the Company before, after completion of the Offer[1] and in the event that all of the New Options attaching to the Offer Shares are exercised:

Shares	**Number**
Shares on issue at the date of this Offer Booklet	450,180,185
Total number of Shares expected to be on issue on the Record Date	450,180,185
Maximum number of Offer Shares to be issued under the Offer [1 2]	75,030,031
Maximum number of New Options to be issued under the Offer[3]	57,515,015
Maximum number of Shares on issue following the Offer [2]	525,210,216
Maximum number of Shares on issue if 100% of New Options are exercised and converted to Shares[4]	582,725,231

[1] *A small number of additional Offer Shares may be issued due to rounding of individual entitlements.*

[2] *Assuming all of the Offer Shares under the Offer are taken up and issued and there are no Ineligible Shareholders, and none of the performance rights are exercised prior to completion of the Offer.*

3 Including the New Options to be granted to the Underwriter pursuant to the Underwriting Agreement

[4] *Assuming that all of the New Options are exercised before they expire and Shares are issued for each New Option.*

The performance rights issued by the Company will not be affected by the Offer and the below table sets out the performance rights issued by the Company before the Offer and immediately after the allotment of Offer Shares pursuant to the Offer.

Performance Rights	Exercise Price	Expiry Date	Number
Performance Rights	NIL	31 Jan 2024	2,275,000
Performance Rights	NIL	31 Jan 2025	4,950,000

9. Impact of the Offer on your Shareholding and Possible Dilutive Effect

The dilutionary effect of the Offer on your shareholding will depend on whether you are an Eligible Holder and if so, whether you elect to subscribe for some or all of your Entitlement.

If an Eligible Holder does not take up their entitlement under the Offer, they will suffer a dilution of up to approximately 16.7%of their interest in the Company assuming the Offer is fully subscribed.

The dilutive effect of the Offer may also be increased in the event that an Eligible Holder does not take up any of their entitlement under the Offer or having done so elects not to exercise the New Options, should other Eligible Holders choose to exercise their New Options into Shares.

An Eligible Holder who does not take up his entitlement may suffer further dilution over and above the initial dilutive effect of the Offer of up to approximately 23% of their interest in the Company as a result of the New Options being converted into Shares (including the New Options being granted to the Underwriter pursuant to the Underwriting Agreement).

10. Effect of Offer on Voting Power in the Company

As the acquisition of Shares under the Offer and Excess Application Facility does not satisfy the requirements of exception 10 of section 611 of the Corporations Act, no person (including the Underwriter or any sub-underwriter) shall be entitled to acquire Shares pursuant to the Offer or Excess Application Facility if to do so would result in theirs, or another person's, Voting Power in the Company increasing from 20% or below to more than 20%, or from a starting point above 20% to below 90%, unless an exception to the restrictions contained in section 606 of the Corporations Act applies.

Accordingly, as there are currently no exceptions to the restrictions contained in section 606 of the Corporations Act and in light of the size of the Offer, the Offer is not expected to have any material effect or consequence on the control of Tlou Energy.

The following table set out the possible effects of the Offer on the Underwriter's or any sub-underwriters' Voting Power in the Company on Completion of the Offer, under two potential scenarios (depending on the level of acceptances received pursuant to the Offer and Excess Application Facility).

Voting Power[1]	Underwritten Amount is fully subscribed by Eligible Shareholders		Underwritten Amount is 50% subscribed by Eligible Shareholders	
	Number of Shares	Shares %	Number of Shares	Shares %
Underwriter or Sub-underwriter	Nil	Nil%	25,000,000	5.0%
Existing Shareholders (Post Offer)	500,180,185	100%	475,180,185	95.0%

Total	500,180,185	100%	500,180,185	100%

[1] Assuming that neither the Underwriter nor any sub-underwriters (or their Associates), or does not, acquire prior to the close of the Offer, any voting power in the Company.

Whether the Underwriter or sub-underwriters are required to subscribe for Offer Shares pursuant to the Underwriting Agreement and, therefore, any consequential increase in their Voting Power in the Company on the close of the Offer, is dependent on the size of the Shortfall, the extent to which Eligible Shareholders subscribe for Excess Shares pursuant to the Excess Application Facility, the number of Offer Shares subscribed for by any sub-underwriters and whether the Underwriter's or any sub-underwriters increase their Voting Power in the Company between the date of this Offer Booklet and Completion of the Offer.

The potential effect that the issue of Offer Shares will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand. However, given the structure of the Offer as a pro-rata issue, it is not expected to have any material effect or consequence on the control of the Company. However, to the extent that any shareholder fails to take up their entitlement to Offer Shares under the Entitlement Offer, that shareholder's percentage holding in the Company will be diluted by those other shareholders who take up some or all of their Entitlement.

11. Terms of New Options

The New Options will be issued pursuant to the New Option Certificate which was approved by the Directors on or around the same date as the issuance of this document.

(a) Entitlement

(i) Each New Option entitles the holder to subscribe for, and be allotted, one new Share.

(ii) New Shares issued on the exercise of New Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX, AIM or BSE.

(b) Issue Price

New Options are being issued as free, with one New Option attaching to every two Offer Shares subscribed for and therefore there is no issue price.

(c) Exercise of New Options

(i) The New Options are exercisable at any time from the issue date prior to the expiry date.

(ii) The final date and time for exercise of the New Options is 5:00pm (AEST) on the date that is two years from the date of issue ("Expiry Date"). If such date falls on a day that is not a Business Day, the final date will be the next Business Day.

(iii) The exercise price per New Option is A$0.08 (8 cents).

(iv) Each New Option is exercisable by the option holder signing and delivering a notice of exercise of the New Option together with the exercise price in full for each Share to be issued upon exercise of each New Option to the Company's relevant share registries. Unless an option holder is

exercising all of their New Options, New Options must be exercised in parcels of not less than 10,000 New Options.

(v) The Options cannot be exercised if, as a result of the exercise, the option holder or any of its associates would breach the provisions of Chapter 6 (and specifically section 606) of the Corporations Act.

(vi) Remittances must be made payable to 'Tlou Energy Limited' and cheques should be crossed 'Not Negotiable'.

(vii) All New Options will lapse on the earlier of the:-

a. receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the Option; and

b. the Expiry Date.

(viii) In the event of liquidation of the Company, all unexercised New Options will lapse.

(ix) New Options will not be transferable.

(d) Quotation

(i) The New Options will be unlisted and the Company will not apply for quotation of New Options.

(ii) If the Shares of the Company are quoted on an exchange as at the date of exercise of the New Options, the Company will apply for the new Shares to be admitted to trading on the relevant exchange within 10 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

(e) Participation in Securities Issues

Subject to paragraph (f) below, the option holder is not entitled to participate, with respect to the New Options, in new issues of securities without exercising the New Options.

(f) Participation in a Reorganisation of Capital

(i) In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of an option holder will be changed in accordance with the Listing Rules of the ASX applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the

terms of the New Options do not result in any benefit being conferred on the option holder which is not conferred on Shareholders.

(ii) In any reorganisation as referred to in paragraph (f)(i), New Options will be treated in the following manner:

(A) in the event of a consolidation of the share capital of the Company, the number of New Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;

(B) in the event of a subdivision of the share capital of the Company, the number of New Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;

(C) in the event of a return of the share capital of the Company, the number of New Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;

(D) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of New Options and the exercise price of each New Option will remain unaltered;

(E) in the event of a pro-rata cancellation of shares in the Company, the number of New Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each New Option will be amended in inverse proportion to that ratio; and

(F) in the event of any other reorganisation of the issued capital of the Company, the number of New Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the option holder which are not conferred on shareholders.

(g) Adjustments to New Options and Exercise Price

(i) Adjustments to the number of Shares over which New Options exist and/or the exercise price may be made as described in paragraph (g)(ii) to take account of changes to the capital structure of the Company by way of pro-rata bonus and cash issues.

(ii) The method of adjustment for the purpose of paragraph (g)(i) shall be in accordance with the Listing Rules of the ASX from time to time, which is currently contained under Listing Rule 6.22.2 and 6.22.3.

12. Risk Factors

There are various risks associated with investing in Tlou Energy, as with any stock market investment, and, specifically, because of the nature of Tlou Energy's exploration business and the present stage of development of Tlou Energy's operations. Potential investors should consider whether the securities are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out in Part 3 of this Offer Booklet. Many of those risk factors are outside the control of the Company.

13. Admission, Settlement and CREST

Application will be made to the London Stock Exchange for the Offer Shares to be admitted to trading on AIM, to the BSE for the Offer Shares to be admitted to trading on the BSE and to the ASX for the Offer Shares to be admitted to trading on the ASX. It is expected that Admission will become effective on 21 July 2020 and that dealings in the Offer Shares will commence at 8:00 a.m. (BST) on that date.

New Options will not be quoted or listed on AIM, the ASX or the BSE. Official quotation of New Options offered under this Offer Booklet is not being applied for at this time and is not a condition of the Offer. It is expressly not stated or implied that permission will be sought for official quotation of New Options.

If the Offer does not proceed the Existing Shares will continue to be traded on AIM, the ASX and the BSE.

The Depositary Interests are already admitted to CREST. No further applications will need to be made in respect of the admission to CREST of the Depositary Interests representing the Offer Shares. All such Depositary Interests, when issued and fully paid, may be held and transferred by means of CREST.

Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. (BST) on 10 July 2020 (being the latest practicable date for applications under the Offer). If the conditions to the Offer described above are satisfied, the Depositary Interests representing Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for the Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. The Share Registry will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Offer Shares with effect from Admission (expected to be on 21 July 2020). The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send Eligible Depositary Interest Holders an Entitlement and Acceptance Form instead of crediting the relevant stock account with Offer Entitlements, and to allot and/or issue any Offer Shares.

If the conditions to the Offer described above are satisfied, the Offer Shares will be issued in uncertificated form to those persons who submitted a valid Entitlement and Acceptance Form or made a valid BPAY Payment for the Offer Shares by utilising the CHESS application procedures and whose applications have been accepted by the Company.

For more information as to the procedure for application, Eligible Shareholders are referred to in paragraph 4 of Part 2, and where applicable the Entitlement and Acceptance Form.

Settlement on the Australian register will be conducted under the ASX's electronic CHESS system. Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Offer Shares.

Subject to the approval from the BSE, Shareholders resident in Botswana will be contacted directly by the Company in relation to settlement.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their holding changes. Shareholders may request a statement at any other time; however, there may be a charge associated with the provision of this service.

13. Continuous Disclosure

Tlou Energy is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

Tlou Energy is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, Tlou Energy has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of Tlou Energy Shares. That information is available to the public from ASX. The Company is also subject to the continuous disclosure obligations imposed by the AIM Rules and the BSE Equity Listing Requirements which have similar requirements.

This Offer Booklet is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for Offer Shares. All announcements made by the Company are available from its website www.tlouenergy.com or the ASX at www.asx.com.au (Tlou Energy ASX Code: TOU). However the contents of the Company's website do not form part of this document and Shareholders should not rely on them.

13. Enquiries

If you have any questions, please contact Tlou Energy using contact details provided in the Corporate Directory which appears at the end of this Offer Booklet during the Offer period. If you are in any doubt as to whether you should participate in the Offer you should consult your stockbroker, accountant, solicitor or other professional adviser.

Part 2

TERMS AND CONDITIONS OF THE OFFER

1. Introduction

As explained in the "Letter from the Chairman" and the other details set out in Part 1 of this document, the Company is offering existing Shareholders the opportunity to acquire up to 1 Offer Shares for every 6 Shares at the Issue Price. For every two Offer Shares subscribed for, the Eligible Holders will be issued with an unlisted New Option to subscribe for Shares for a period of 2 years at a price of A$0.08 (8 cent) (equivalent to £0.044 or BWP0.64) per New Option. If fully subscribed the total consideration under the Offer will be $3,001,201. The Offer is partially underwritten for the First Tranche of the Offer, being A$2 million, the terms of the Underwriting Agreement are set out in paragraph 4 of Part 4.

The Record Date for entitlements under the Offer is 22 June 2020 at 7.00 p.m. (AEST) in respect of Eligible Shareholders and at 6.00 p.m. (BST) in respect of Eligible Depositary Interest Holders. Entitlement and Acceptance Forms for use by Eligible Shareholders accompany this document and Offer Entitlements and Excess CREST Offer Entitlements are expected to be credited to stock accounts of Eligible Depositary Interest Holders Shareholders in CREST on 26 June 2020.

Subject to availability, the Excess Application Facility will enable Eligible Holders to apply for further Offer Shares. Further details in relation to the Excess Application Facility are set out in this paragraph 1 of this Part 2: "Terms and Conditions of the Offer" in this document and, for Eligible Shareholders, the Entitlement and Acceptance Form.

The latest time and date for receipt of completed Entitlement and Acceptance Forms and payment in full under the Offer is expected to be 5.00 p.m. (AEST) on 13July 2020 and settlement of relevant CREST instructions and payment in full is expected to be 11 a.m. (BST) on 10 July 2020, with Admission and commencement of dealings in Offer Shares (in the form of Depositary Interests) expected to take place at 8 a.m. (BST) on 21 July 2020 on AIM.

This document and, for Eligible Shareholders only, the Entitlement and Acceptance Form, contains the formal terms and conditions of the Offer. Your attention is drawn to paragraphs 4.1 and 4.2 of this Part 2: "Terms and Conditions of the Offer" which gives details of the procedure for application and payment for the Offer Shares and any additional shares applied for pursuant to the Excess Application Facility.

The Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

The Company is proposing to issue under the Offer up to 75,030,031 Offer Shares at the Issue Price, subject to Admission, in respect of valid applications by Eligible Holders.

The Existing Shares are admitted to trading on AIM, BSE and the ASX. Application will be made to the London Stock Exchange for the Offer Shares to be admitted to trading on AIM, to BSE for the Offer Shares to be admitted to trading on the BSE and to the ASX for the Offer Shares to be admitted to trading on the ASX. It is expected that Admission will become effective at 8 a.m. (BST) on 21 July 2020 and that dealings in the Offer Shares (in the form of Depositary Interests) will commence at 8 a.m. (BST) on AIM on that date.

The Offer is an opportunity for Eligible Holders to apply for up to 1 for every 6 Offer Shares *pro rata* to their current holdings at the Issue Price in accordance with the terms of the Offer. Eligible Holders are being offered the opportunity to apply for additional Offer Shares in excess of their Offer Entitlement to the extent that other Eligible Holders do not take up their Offer Entitlement in full. For every two Offer Shares

subscribed for, the Eligible Holders will be issued with an unlisted New Option to subscribe for Shares for a period of 2 years at a price of $0.08 (8 cents) (equivalent to £0.044 or BWP0.64) per New Option.

In the event that Eligible Holders apply, in aggregate, for an amount that is greater than the $3,001,201 (75,030,031 Offer Shares), the Directors will use their discretion (using the following allocation policy) to scale back such applications such that this threshold is not exceeded.

The Company proposes to adopt the following allocation policy for Excess Shares subscribed pursuant to the Excess Entitlement Facility, subject to the Directors retaining discretion to refuse to accept applications (in whole or in part) for Excess Shares where the effect of issuing Excess Shares will result in the applicant's, or another person's, Voting Power in the Company increasing from 20% or below to more than 20%, applicants under the Excess Application Facility will be allocated the lesser of:

- the number of Excess Shares applied for; and
- if the number of Excess Shares available for subscription is less than the aggregate number of Excess Shares applied for by all unsatisfied applicants, the number of Excess Shares applied for, scaled back on a pro rata basis according to all unsatisfied applicants' respective shareholdings in the Company as at the Closing Date for the Offer.

If, following the allocation process referred to immediately above, there are any remaining Excess Shares, that allocation process will be repeated continuously until all applications for Excess Shares have been satisfied in full or there are no further Excess Shares.

Following completion of the above process, if any remaining Excess Shares, for the First Tranche of the Offer are outstanding they will be issued to the Underwriter or its nominees in accordance with the Underwriting Agreement, subject to a maximum of 75,030,031 Offer Shares. Following this any remaining Excess Shares may be placed by the Company within 3 months of the completion.

Accordingly, Eligible Holders who apply for Excess Shares may be allocated a lesser number of Excess Shares than applied for (whether wholly or partially) in which case excess application money will be refunded without interest in accordance with the Corporations Act. There is no guarantee that Eligible Holders will receive any or all of the Excess Shares which they apply for. Offer Shares, including Excess Shares issued under the Offer will rank equally with Existing Shares.

After allowing for the demand of Eligible Holders under the Offer, the Directors reserve the right to place any shortfall under the Offer within 3 months at a price no lower than the Issue Price.

Any Eligible Holder who has sold or transferred all or part of his/her registered holding(s) of Depositary Interests prior to the Record Date is advised to consult his or her stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Offer Shares under the Offer may be a benefit which may be claimed from him/her by the purchasers under the rules of the London Stock Exchange.

2. The Offer

Subject to the terms and conditions set out below (and, in the case of Eligible Shareholders, in the Entitlement and Acceptance Form), Eligible Holders are being given the opportunity under the Offer to apply for any number of Offer Shares at the Issue Price pro rata to their holdings, which represents a discount of approximately 31.0 per cent. to the closing middle market price of 0.0580 cents per Share on the ASX as at 12 June 2020, being the last trading day prior to the publication of the announcement of the Offer, on the following basis:

1 Offer Share for every 6 Existing Shares

and

1 New Option for every 2 Offer Shares subscribed for

Fractions of Offer Shares will not be allotted to Eligible Holders in the Offer and entitlements under the Offer will be rounded down to the nearest whole number of Offer Shares and New Options.

If you are an Eligible Shareholder, the Entitlement and Acceptance Form shows the number of Existing Shares registered in your name at 7.00 p.m. (AEST) on the Record Date.

Subject to availability, the Excess Application Facility will enable Eligible Holders, provided they have taken up their Offer Entitlement in full, to apply for further Offer Shares in excess of their Offer Entitlement. Further details in relation to the Excess Application Facility are set out in paragraph 1 of this Part 2: "Terms and Conditions of the Offer" and, for Eligible Shareholders, the Entitlement and Acceptance Form.

The Offer is being made only to Eligible Holders.

Eligible Shareholders will have received an Entitlement and Acceptance Form with this document which sets out their Offer Entitlement for which they can apply. Those Eligible Shareholders who are acting as a nominee or custodian for multiple beneficial holders are permitted to participate in the Excess Application Facility even if they do not take up their entire Offer Entitlement. Such nominees and custodians should utilise the Excess Application Facility only for those beneficial holders who have taken up their maximum entitlements under the Offer.

Eligible Depositary Interest Holders will receive a credit to their appropriate stock accounts in CREST in respect of their Offer Entitlements and Excess CREST Offer Entitlements as soon as possible after 8 a.m. (BST) on 26 June 2020. Those Eligible Depositary Interest Holders who are acting as a nominee or custodian for multiple beneficial holders are permitted to participate in the Excess Application Facility even if they do not take up their entire Offer Entitlement. Such nominees and custodians should utilise the Excess Application Facility only for those beneficial holders who have taken up their maximum entitlements under the Offer.

If applications under the Excess Application Facility are received for more than the total number of Offer Shares available following take up of Offer Entitlements, such applications will be dealt with in accordance with the allocation policy set out in paragraph 1 of this Part 2.

Please refer to paragraph 1 of this Part 2: "Terms and Conditions of the Offer" for further details of the Excess Application Facility.

If an Eligible Holder does not take up their entitlement under the Offer, they will suffer a dilution of up to approximately 16.7% of their interest in the Company assuming the Offer is fully subscribed.

The dilutive effect of the Offer may also be increased in the event that an Eligible Holder does not take up any of his entitlement under the Offer or having done so elects not to exercise the New Options, should other Eligible Holders choose to convert their New Options into Shares.

An Eligible Holder who does not take up his entitlement may suffer further dilution over and above the initial dilutive effect of the Offer of up to approximately 23% of their interest in the Company as a result of the New Options being converted into Shares (including the New Options being granted to the Underwriter pursuant to the Underwriting Agreement).

Eligible Holders should be aware that the Offer is not a rights issue as that term is used in England and Wales. Eligible Shareholders should also note that their respective Entitlement and Acceptance Forms are not negotiable documents and cannot be traded. Eligible Depositary Interest Holders should note that, although the Offer Entitlements and Excess CREST Offer Entitlements will be credited to CREST and be enabled for settlement, applications in respect of entitlements under the Offer may only be made by the Eligible Holder originally entitled or by a person entitled by virtue of a *bona fide* market. Offer Shares not applied for under the Offer will not be sold in the market for the benefit of those who do not apply under the Offer and Eligible Holders who do not apply to take up Offer Shares will have no rights under the Offer.

Any Offer Shares which are not applied for by Eligible Holders under their Offer Entitlements may be issued to Eligible Holders who have made an application for Offer Shares in excess of their Offer Entitlement under the Excess Application Facility, with the proceeds retained for the benefit of the Company. Consequently, if no Shareholders subscribe for the Offer Shares, no Offer Shares will be issued.

Application will be made for the Offer Entitlements and Excess CREST Offer Entitlements to be credited to Eligible Depositary Interest Holder's CREST accounts. The Offer Entitlements and Excess CREST Offer Entitlements are expected to be credited to CREST accounts at 8 a.m. (BST) 26 June 2020.

The Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

The Offer Shares are not being made available in whole or in part to the public except under the terms of the Offer.

3. Conditions and further terms of the Offer

Applications will be made for the Offer Shares to be admitted to trading on AIM (in the form of Depositary Interests) and to be admitted to trading on the ASX. Admission is expected to occur and dealings in the Offer Shares are expected to begin at 8 a.m. (BST) on 21 July 2020 on AIM.

All monies received by the Share Registry in respect of Offer Shares will be credited to a trust account by the Share Registry. The Directors may withdraw the Offer and if the Directors do withdraw the Offer, no Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Offer.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

4. Procedure for application and payment

The action to be taken by you in respect of the Offer depends on whether, at the relevant time, you have an Entitlement and Acceptance Form in respect of your Offer Entitlement under the Offer or you have Offer Entitlements credited to your CREST stock account.

Eligible Shareholders will receive an Entitlement and Acceptance Form, enclosed with this document. The Entitlement and Acceptance Form shows the number of Existing Shares at 7.00 p.m. (AEST) on the Record Date. It will also show Eligible Shareholders the number of Offer Shares available under their Offer Entitlement that can be allotted. Eligible Holders who hold all or part of their Existing Shares by way of Depositary Interests in uncertificated form will have their Offer Shares credited to their CREST stock accounts in the form of Depositary Interests, to the extent that their entitlement to Offer Shares arises as a result of holding Existing Ordinary Shares by way of Depositary Interests. However, it will be possible for Eligible Holders to deposit entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4.2(g) of this Part 2.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Offer in respect of the Offer Entitlements and Excess CREST Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Offer in respect of their Offer Entitlements and Excess CREST Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

Eligible Holders who do not want to apply for the Offer Shares under the Offer should take no action and should not complete or return the Entitlement and Acceptance Form or send a USE message through CREST.

4.1 *If you have an Entitlement and Acceptance Form in respect of your Offer Entitlements under the Offer*

i. General

Subject as provided in paragraph 6 of this Part 2: "Terms and Conditions of the Offer" in relation to Overseas Shareholders, Eligible Shareholders will receive an Entitlement and Acceptance Form. The Entitlement and Acceptance Form shows the number of Existing Shares registered in their name at 7.00 p.m. (AEST) on the Record Date. It also shows the Offer Entitlement allocated to them. Entitlements to Offer Shares are rounded down to the nearest whole number and fractional Offer Entitlements have therefore also been rounded down. The Entitlement and Acceptance Form also shows how much they would need to pay if they wish to take up their Offer Entitlements in full. Eligible Shareholders may apply for less than their entitlement should they wish to do so. Eligible Shareholders may also hold such an Entitlement and Acceptance Form by virtue of a *bona fide* market claim.

Under the Excess Application Facility, provided they have agreed to take up their Offer Entitlement in full, Eligible Shareholders may apply for more than the amount of their Offer Entitlement should they wish to do so. Such applications under the Excess Application Facility will be dealt with in accordance with the allocation policy set out in paragraph 1 of this Part 2.

The instructions and other terms set out in the Entitlement and Acceptance Form forms part of the terms of the Offer in relation to Eligible Shareholders.

ii. Application procedures

Eligible Shareholders wishing to apply to acquire Offer Shares (whether in respect of all or part of their Offer Entitlement or in addition to their Offer Entitlement under the Excess Application Facility) should (a) complete the Entitlement and Acceptance Form in accordance with the instructions printed on it, or (b) make a BPAY payment in accordance with the instructions printed on the Entitlement and Acceptance Form. With the exception of those Eligible Shareholders who are acting as a nominee or custodian for multiple beneficial holders, Eligible Shareholders may only apply for additional Offer Shares under the Excess Application Facility if they have agreed to take up their Offer Entitlements in full. Those Eligible Shareholders who are acting as a nominee or custodian for multiple beneficial holders are permitted to participate in the Excess Application Facility even if they do not take up their entire Offer Entitlement. Such nominees and custodians should utilize the Excess Application Facility only for those beneficial holders who have taken up their maximum entitlements under the Offer.

Such applications under the Excess Application Facility will be dealt with in accordance with the allocation policy set out in paragraph 1 of this Part 2.

Entitlement and Acceptance Forms (if paying by cheque or banker's draft) should be posted in the accompanying pre-paid envelope or returned by post so as to be received by the Share Registry by no later than the Closing Date, after which time Entitlement and Acceptance Forms will not be valid. Eligible Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. If an Entitlement and Acceptance Form is being sent by post in Australia to Link Market Services. Eligible Holders should allow sufficient time for delivery.

All payments made by cheque must be in Australian dollars and made payable to Tlou Energy Limited and crossed "Not Negotiable".

Cheques will be presented for payment upon receipt. The Company reserves the right to instruct the Share Registry to seek special clearance of cheques to allow the Company to obtain value for remittances at the earliest opportunity and withhold or crediting to the relevant member account, as applicable pending clearance thereof. No interest will be paid on payments made before they are due. It is a term of the Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts

sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

Eligible Shareholders paying via BPAY should follow the instructions printed on the Entitlement and Acceptance Form. It is the responsibility of the Eligible Shareholder to ensure that the BPAY payment is received by the Share Registry by no later than the Closing Date.

If paying with BPAY, the Eligible Shareholder will not need to post an Entitlement and Acceptance Form to the Share Registry. By making a payment through BPAY, the Eligible Shareholder will be deemed to have made the declarations made out in the Entitlement and Acceptance Form.

If cheques are presented for payment, or if a BPAY payment is made before the conditions of the Offer are fulfilled, the application monies will be credited to a trust account by the Share Registry. If the Directors withdraw the Offer, no Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Offer. The Company may in its sole discretion, but shall not be obliged to, treat an Entitlement and Acceptance Form or a BPAY payment as valid and binding on the person by whom or on whose behalf it is lodged or paid, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Offer. The Company further reserves the right (but shall not be obliged) to accept either:

1.1 Entitlement and Acceptance Forms and BPAY payments received after the Closing Date; or

1.2 applications in respect of which remittances are received before the Closing Date from authorised persons (as defined in FSMA) specifying the Offer Shares applied for and undertaking to lodge the Entitlement and Acceptance Form in due course but, in any event, within two Business Days.

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

iii. The Excess Application facility

Provided they choose to take up their Offer Entitlement in full, the Excess Application Facility enables an Eligible Shareholder to apply for Offer Shares in excess of their Offer Entitlement. Such applications under the Excess Application Facility will be dealt with in accordance with the allocation policy set out in paragraph 1 of this Part 2.

Eligible Shareholders who wish to apply for Offer Shares in excess of their Offer Entitlement must complete the Entitlement and Acceptance Form or make a BPAY payment in accordance with the instructions set out on the Entitlement and Acceptance Form.

Should applications for Offer Shares exceed the total Offer Shares available, resulting in a scale back of applications, each Eligible Shareholder who has made a valid application for excess Offer Shares under the Excess Application Facility and from whom payment in full for excess Offer Shares has been received will receive an amount equal to the number of Offer Shares applied and paid for but not allocated to the relevant Eligible Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk.

iv. Effect of Application

By completing and delivering an Entitlement and Acceptance Form or by making a BPAY payment the applicant:

1.1 represents and warrants to the Company that he has the right, power and authority, and has taken all action necessary, to make the application under the Offer and to execute,

deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Offer Shares or acting on behalf of any such person on a non-discretionary basis;

1.2 agrees with the Company that all applications under the Offer and contracts resulting therefrom shall be governed by and construed in accordance with the laws of Queensland, Australia;

1.3 confirms to the Company that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document or that which is publicly available, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all information in relation to Tlou Energy contained in this document or otherwise publicly available;

1.4 represents and warrants to the Company that he is the Eligible Holder originally entitled to the Offer Entitlements;

1.5 requests that the Offer Shares to which he will become entitled be issued to him on the terms set out in this document and the Entitlement and Acceptance Form; and

1.6 represents and warrants to the Company that he: (i) is acquiring the Open Offer Shares in an "offshore transaction" as defined in Regulation S; (ii) is not, nor is he applying on behalf of any person who is, in the United States or a US Person; (iii) is not a person who is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any jurisdiction in which the application for Offer Shares is prevented by law; (iv) is not applying with a view to re-offering, re-selling, transferring or delivering any of the Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a US Person; and (v) is not applying with a view to re-offering, re-selling, transferring or delivering any of the Offer Shares which are the subject of his application to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any jurisdiction in which the application for Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Offer Shares under the Offer.

The Company will treat a Eligible Shareholders as applying for as many Offer Shares as their payment will pay for in full up to their Offer Entitlement, plus any Excess Shares (if any) as their payment will pay for.

4.2 ***If you have Offer Entitlements and Excess CREST Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Offer.***

(a) Save as provided in paragraph 6 of this Part 2 of this document in relation to certain Overseas Shareholders, each Eligible Depositary Interest Holder will receive a credit to his stock account in CREST of his Offer Entitlements equal to the maximum number of Offer Shares for which he is entitled to apply under the Offer. Entitlements to Offer Shares and New Options will be rounded

down to the nearest whole number and fractional entitlements will be ignored and will not be allotted to Eligible Holders. Eligible Holders who hold less than 6 Existing Shares (or any entitlement to such number of Existing Shares) will, therefore, have no entitlement to subscribe under the Offer.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Depositary Interests held by a Eligible Depositary Interest Holder on the Record Date in respect of which the Offer Entitlements have been allocated.

If for any reason the Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Eligible Depositary Interest Holders cannot be credited by, 6.00 p.m. (BST) on 26 June 2020 or such later time as the Company may decide, an Entitlement and Acceptance Form will be sent out to each Eligible Depositary Interest Holder in substitution for the Offer Entitlements credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Eligible Shareholders with Entitlement and Acceptance Forms will apply to Eligible Depositary Interest Holders who receive Entitlement and Acceptance Forms.

CREST members who wish to apply for some or all of their entitlements to Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Computershare UK on 0370 702 0003. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

v. Market claims

Each of the Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Entitlements may only be made by the Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction.

Transactions identified by the CREST Claims Processing Unit as “cum” the Basic Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly.

vi. Excess CREST

Open Offer Entitlements will not be subject to Euroclear’s market claims process. Eligible Depositary Interest Holder’s claiming Excess CREST Open Offer Entitlements by virtue of a bona fide market claim are advised to contact the Receiving Agent to request a credit of the appropriate number of entitlements to their CREST account

vii. Excess Application Facility

Eligible Depositary Interest Holders may apply to acquire Excess Shares using the Excess Application Facility. The Excess Application Facility enables Eligible Depositary Interest Holders to apply for Excess Shares in excess of their Offer Entitlement up to the maximum number of Excess Shares. Excess CREST Offer Entitlements may not be sold or otherwise transferred. Subject as provided in paragraph 6 of this Part 2 in relation to Overseas Shareholders, the CREST accounts of Eligible Depositary Interest Holders will be credited with Excess CREST Offer Entitlements in order for any applications for Excess Shares to be settled through CREST.

Eligible Depositary Interest Holders should note that, although the Offer Entitlements and the Excess CREST Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of market claims only). Neither the Offer Entitlements nor the Excess

CREST Offer Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the Eligible Holders and Eligible Depositary Interest Holders originally entitled or by a person entitled by virtue of a bona fide market claim.

To apply for Excess Shares pursuant to the Offer, Eligible Depositary Interest Holders should follow the instructions in paragraph 4.2(f) below and must not return a paper Entitlement and Acceptance Form and cheque.

All enquiries in connection with the procedure for application for Depositary Interest holders should be directed to Computershare UK on 0370 702 0000 or, if telephoning from outside the UK, on +44 370 702 0000 between 8.30 a.m. and 5.30 p.m. Monday to Friday. Calls may be recorded and monitored randomly for security and training purposes. Please note Computershare UK cannot provide financial advice on the merits of the Offer or as to whether you should take up your entitlement.

viii. USE instructions

CREST members who wish to apply for Offer Shares in respect of all or some of their Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an Unmatched Stock Event (**"USE"**) instruction to Computershare UK which, on its settlement, will have the following effect:

1.1 the crediting of a stock account of the Depositary under the participant ID and member account ID specified below, with a number of Offer Entitlements corresponding to the number of Offer Shares applied for; and

1.2 the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of the Depositary in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Offer Shares referred to in (i) above.

ix. Content of USE instructions

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

1.3 the number of Offer Shares for which application is being made (and hence the number of the Offer Entitlement(s) being delivered to the Depositary);

1.4 the ISIN of the Offer Entitlement. This is [•];

1.5 the CREST participant ID of the accepting CREST member;

1.6 the CREST member account ID of the accepting CREST member from which the Offer Entitlements are to be debited;

1.7 the participant ID of the Share Registry, in its capacity as a CREST receiving agent; This is 3RA13;

1.8 the member account ID of the Share Registry in its capacity as a CREST receiving agent. This is TLUOPN02 ;

1.9 the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Offer Shares referred to in (i) above;

1.10 the intended settlement date. This must be on or before 11 a.m. (BST) on 10 July 2020;

1.11 the Corporate Action Number for the Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11 a.m. (BST) on 10 July 2020.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

1.1 a contact name and telephone number (in the free format shared note field); and

1.2 a priority of at least 80.

x. Content of USE instruction in respect of Excess CREST Open Offer Entitlements

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

1.1 the number of Offer Shares for which application is being made (and hence the number of the Excess CREST Offer Entitlement(s) being delivered to the Depositary);

1.2 the ISIN of the Excess CREST Offer Entitlement. This is [•];

1.3 the CREST participant ID of the accepting CREST member;

1.4 the CREST member account ID of the accepting CREST member from which the Excess CREST Offer Entitlements are to be debited;

1.5 the participant ID of the Share Registry in its capacity as a CREST receiving agent. This is 3RA13;

1.6 the member account ID of the Share Registry in its capacity as a CREST receiving agent. This is TLUOPN02;

1.7 the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Offer Shares referred to in (i) above;

1.8 the intended settlement date. This must be on or before 11 a.m. (BST) on 10 July 2020; and

1.9 the Corporate Action Number for the Offer. This will be available by viewing the relevant corporate action details in CREST. In order for an application in respect of an Excess CREST Offer Entitlement under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 8 a.m. (BST) on 10 July 2020. In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction;

1.10 a contact name and telephone number (in the free format shared note field); and

1.11 a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 10 July 2020 in order to be valid is 8 a.m. (BST) on that day.

In the event that the Directors withdraw the Offer, the Offer Entitlements admitted to CREST will be disabled and the Share Registry will refund the amount paid by a Eligible Depositary Interest Holder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the benefit of the Company.

xi. Deposit of Offer Entitlements into, and withdrawal from, CREST

An Eligible Shareholder's entitlement under the Offer as shown by the number of Offer Entitlements set out in his Entitlement and Acceptance Form may be deposited into CREST (by virtue of a bona fide market claim only). Similarly, Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Offer is reflected in an Entitlement and Acceptance Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Entitlement and Acceptance Form.

A holder of an Entitlement and Acceptance Form who is proposing so to deposit the entitlement set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Offer Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11 a.m. (BST) on 10 July 2020.

In particular, having regard to normal processing times in CREST and on the part of the Share Registry, the recommended latest time for depositing an Entitlement and Acceptance Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Offer set out in such Entitlement and Acceptance Form as Offer Entitlements in CREST, is 5p.m. (BST) on 3 July 2020, and the recommended latest time for receipt by Computershare UK of a dematerialised instruction requesting withdrawal of Offer Entitlements from CREST is 5 p.m. (BST) on 3 July 2020 in either case so as to enable the person acquiring or (as appropriate) holding the Offer Entitlements following the deposit or withdrawal (whether as shown in an Entitlement and Acceptance Form or held in CREST) to take all necessary steps in connection with applying in respect of the Offer Entitlements prior to 11 a.m. (BST) on 10 July 2020.

Delivery of an Entitlement and Acceptance Form with a CREST Deposit Form duly completed whether in respect of a deposit into the account of the Eligible Holder named in the Entitlement and Acceptance Form or into the name of another person, shall constitute a representation and warranty to the Company and the Share Registry by the relevant CREST member(s) that the deposit is in relation to a bona fide market claim and a declaration to the Company and the Share Registry from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of a Restricted Jurisdiction.

xii. Validity of application

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11 a.m. (BST) on 10 July 2020 will constitute a valid application under the Offer.

xiii. CREST procedures and timings

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11 a.m. (BST) on 10 July 2020. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

xiv. Incorrect or incomplete applications

If a USE instruction includes a CREST payment for an incorrect sum, the Company through the Share Registry reserves the right:

1.1 to reject the application in full and refund the payment to the CREST member in question;

1.2 in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question;

1.3 in the case that an excess sum is paid, to treat the application as a valid application for all the Offer Shares referred to in the USE instruction refunding any unutilised sum to the CREST member in question.

xv. Effect of Valid Application

1.1 A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

1.2 agree with the Company that all applications under the Offer and contracts resulting therefrom and any non-contractual obligations related thereto shall be governed by, and construed in accordance with, the laws of Queensland, Australia;

1.3 confirm to the Company that in making such application he is not relying on any information in relation to the Company other than that contained in this document and that which is publicly available and agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such other information and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information concerning the Company contained herein (including information incorporated by reference) or otherwise publicly available;

1.4 represent and warrant to the Company that he is the Eligible Depositary Interest Holder originally entitled to the Offer Entitlements and Excess Offer Entitlements or, if he has received some or all of his Offer Entitlements and Excess Offer Entitlements from a person other than the Company, that he has received such Offer Entitlements and Excess Offer Entitlements by virtue of a bona fide market claim;

1.5 represent and warrant to the Company that he has the right, power and authority, and has taken all action necessary, to make the application under the Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Offer Shares or acting on behalf of any such person on a non-discretionary basis;

1.6 pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Depository payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);

1.7 request that the Open Offer Shares and New Options to which he will become entitled be issued to him on the terms set out in this document and subject to the Constitution of the Company;

1.8 represent and warrant to the Company that he is not, and is not applying on behalf of any Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction and he is not applying with a view to reoffering, reselling, transferring or delivering any of the Offer Shares which are the subject of this application to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction (in each case except where proof satisfactory to the Company has been provided that he is able to accept the invitation by the Company free of any requirement which the Company, or (in their absolute discretion) regard as unduly burdensome), nor is he acting on behalf of any such person on a non-discretionary basis; and

1.9 represent and warrant to the Company that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (Depositary receipts) or Section 96 (clearance services) of the Finance Act 1986.

xvi. Company's discretion as to the rejection and validity of applications

The Company may in its sole discretion:

1.1 treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part 2;

1.2 accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;

1.3 treat a properly authenticated dematerialised instruction (in this sub paragraph the "**first instruction**") as not constituting a valid application if, at the time at which the Share Registry receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Share Registry have received actual notice from Computershare of any of the matters specified in Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and

1.4 accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Depositary in connection with CREST.

The Company will treat a Eligible Shareholders as applying for as many Offer Shares as their payment will pay for in full up to their Offer Entitlement, plus any Excess Shares (if any) as their payment will pay for.

4.3 *If you are a Shareholder resident in Botswana*

The Offer may be made available to Shareholders who are resident in Botswana subject to the Company receiving approval from the BSE, which is expected on or around 24 June 2020. If approval is granted by the BSE an Entitlement and Acceptance Form will be sent to such Shareholders resident in Botswana, and they will be deemed to be "Eligible Shareholders" at such time. If applicable, the Entitlement and Acceptance Form sent to such Shareholders will include the action to be taken by you in respect on the Offer, and the number of Offer Shares available under their Offer Entitlement that can be allotted.

5. Money laundering regulations

Offer Entitlements in CREST

If you hold your Offer Entitlements and Excess CREST Offer Entitlements in CREST and apply for Offer Shares in respect of some or all of your Offer Entitlements or Excess CREST Offer Entitlements as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Computershare UK is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Share Registry before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to the Share Registry such information as may be specified by the Share Registry as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Share Registry as to identity, the Share Registry may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

6. Overseas Shareholders

The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

6.1 *General*

Tlou Energy has determined, in accordance with ASX Listing Rule 7.7.1(a), that it would be unreasonable to offer participation in the Offer to Overseas Shareholders due to the legal limitations in some countries, the relatively small number of Shares held by Shareholders in the Restricted Jurisdictions, the likely funds that would be raised from such Shareholders in those countries and the cost of complying with regulatory requirements in those countries.

The distribution of this document and the making of the Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom, Australia or New Zealand or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom, Australia or New Zealand may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Offer Shares under the Offer.

No action has been or will be taken by the Company or the Brokers or any other person, to permit distribution of this document (or any other offering or publicity materials or application form(s) relating to the Offer Shares) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom, Australia or New Zealand.

Receipt of this document and/or an Entitlement and Acceptance Form and/or a credit of Offer Entitlements or Excess CREST Offer Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Entitlement and Acceptance Form must be treated for information only and should not be copied or redistributed.

Entitlement and Acceptance Forms will not be sent to, and Offer Entitlements and Excess CREST Offer Entitlements will not be credited to stock accounts in CREST of, persons with registered addresses in the United States or any other Restricted Jurisdiction or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or an Entitlement and Acceptance Form and/or a credit of Offer Entitlements or Excess CREST Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Entitlement and Acceptance Form and/or credit of Offer Entitlements or Excess CREST Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Entitlement and Acceptance Form and/or credit of Offer Entitlements or Excess CREST Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Entitlement and Acceptance Form must be treated for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom, Australia or New Zealand wishing to apply for Offer Shares under the Offer to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory.

None of the Company or the Brokers nor any of their respective representatives, is making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Entitlement and Acceptance Form and/or a credit of Offer Entitlements or Excess CREST Offer Entitlements to a stock account in CREST, in connection with the Offer or otherwise, should not distribute or send either of those documents nor transfer Offer Entitlements or Excess CREST Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Entitlement and Acceptance Form and/or a credit of Offer Entitlements or Excess CREST Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Offer Shares in respect of the Offer unless the Company determines that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Entitlement and Acceptance Form and/or transfers Offer Entitlements or Excess CREST Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part 2: "Terms and Conditions of the Offer" and specifically the contents of this paragraph 6.

The Company reserves the right to treat as invalid any application or purported application for Offer Shares that appears to the Company or its agents to have been executed, effected or despatched from the United States or any other Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides in the case of a credit of Offer Entitlements or Excess CREST Offer Entitlements to a stock account in CREST, to a CREST member whose registered address would be, in the United States or any other Restricted Jurisdiction or any other jurisdiction outside United Kingdom, Australia or New Zealand in which it would be unlawful to deliver such share certificates or make such a credit.

Notwithstanding any other provision of this document or the relevant Entitlement and Acceptance Form, the Company reserves the right to permit any person to apply for Offer Shares in respect of the Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Offer Shares should note that payment must be made in sterling denominated cheques or banker's drafts or where such Overseas Shareholder is an Eligible Depositary Interest Holder, through CREST.

Due to restrictions under the securities laws of the United States and the other Restricted Jurisdictions, and subject to certain exceptions, Eligible Holders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any other Restricted Jurisdiction will not qualify to participate in the Offer.

No public offer of Offer Shares is being made by virtue of this document or the Entitlement and Acceptance Forms into the United States or any other Restricted Jurisdiction. Receipt of this document and/or an Entitlement and Acceptance Form and/or a credit of an Offer Entitlement or Excess CREST Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Entitlement and Acceptance Form must be treated for information only and should not be copied or redistributed.

6.2 *United States*

Securities may not be offered or sold in the United States absent: (i) registration under the Securities Act; or (ii) an available exemption from registration under the Securities Act. The Offer Shares mentioned herein have not been, and will not be, registered under the Securities Act and will not be offered to the public in the United States.

Subject to certain exceptions and at the discretion of the Company only, the Company is not extending the Offer into the United States or to US Persons. None of the Offer Entitlements, this document or the Entitlement and Acceptance Form constitute or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any securities in the United States or to any US Person. Subject to certain exceptions and at the discretion of the Company only, neither this document nor an Entitlement and Acceptance Form will be sent to, and no Offer Entitlements or Offer Shares will be credited to a stock account in CREST of, any person with a registered address in the United States or any US Person. Subject to certain exceptions and at the discretion of the Company only, Entitlement and Acceptance Forms sent from or postmarked in the United States will be deemed to be invalid.

Subject to certain exceptions and at the discretion of the Company only, any person who acquires Offer Shares (or any other securities detailed herein) will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Entitlement and Acceptance Form and delivery of the Offer Shares (or any other securities detailed herein) that they are acquiring the securities in an "offshore transaction" as defined in Regulation S and they are not, and that at the time of acquiring the securities they will not be, a US Person, in the United States or acting on behalf of, or for the account or benefit of a person on a nondiscretionary basis in the United States or any state of the United States.

The Company reserves the right to treat as invalid any Entitlement and Acceptance Form that appears to the Company or its agents: (i) to have been executed in, or despatched from, the United States; (ii) that provides an address in the United States for the receipt of Offer Shares; (iii) that does not make the warranty set out in the Entitlement and Acceptance Form to the effect that the person completing the Entitlement and Acceptance Form does not have a registered address and is not otherwise located in the United States and is not acquiring the Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Offer Shares in the United States; or (iv) where the Company believes acceptance of such Entitlement and Acceptance Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to allot or issue any Offer Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Entitlement and Acceptance Form or any Offer Shares may be transferred. In addition, the Company reserves the right to reject any USE instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the Offer Shares.

In addition, until 45 days after the commencement of the Offer, an offer, sale or transfer of the securities mentioned herein within the United States by a dealer (whether or not participating in the Offer) may violate the registration requirements of the Securities Act.

6.3 *Restricted Jurisdictions*

Due to restrictions under the securities laws of the Restricted Jurisdictions and subject to certain exemptions, Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Offer.

The Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

No offer of Offer Shares is being made by virtue of this document or the Entitlement and Acceptance Form into any Restricted Jurisdiction.

The Company reserves the right to treat as invalid any Entitlement and Acceptance Form that appears to the Company or its agents: (i) to have been executed in, or despatched from, a Restricted Jurisdiction; (ii) that provides an address in a Restricted Jurisdiction for the receipt of Offer Shares; (iii) that does not make the warranty set out in the Entitlement and Acceptance Form to the effect that the person completing the Entitlement and Acceptance Form does not have a registered address and is not otherwise located in a Restricted Jurisdiction and is not acquiring the Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Offer Shares in a Restricted Jurisdiction; or (iv) where the Company believes acceptance of such Entitlement and Acceptance Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to allot or issue any Offer Shares to any person with an address in, or who is otherwise located in, a Restricted Jurisdiction in whose favour an Entitlement and Acceptance Form or any Offer Shares may be transferred. In addition, the Company and the Brokers reserve the right to reject any USE instruction sent by or on behalf of any CREST member with a registered address in a Restricted Jurisdiction in respect of the Offer Shares.

6.4 *Botswana*

The Offer may be made available to Shareholders who are resident in Botswana subject to the Company receiving approval from the BSE, which is expected on or around 24 June 2020. If approval is granted by the BSE an Entitlement and Acceptance Form will be sent to such Shareholders resident in Botswana, and they will be deemed to be “Eligible Shareholders” at such time. If the BSE approval is not received the

Shareholders resident in Botswana will not be entitled to participate in the Offer. It remains entirely at the Company's discretion whether such Shareholders can participate in the Offer.

6.5 *Other overseas territories*

Entitlement and Acceptance Forms will be sent to Eligible Shareholders and Open Offer Entitlements and Excess CREST Offer Entitlements will be credited to the stock account in CREST of Eligible Depositary Investor Holders. Eligible Holders may, subject to the laws of their relevant jurisdiction, take up Offer Shares under the Offer in accordance with the instructions set out in this document and the Entitlement and Acceptance Form.

Eligible Holders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than Australia, New Zealand or the United Kingdom should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Offer Shares in respect of the Offer.

6.6 *Representations and warranties relating to Overseas Shareholders*

(a) *Eligible Shareholders*

Any person completing and returning an Entitlement and Acceptance Form or making a BPAY payment or requesting registration of the Offer Shares comprised therein represents and warrants to the Company and the Registrar that, except where proof has been provided to the Company's satisfaction that such person's use of the Entitlement and Acceptance Form or the making of a BPAY payment will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is purchasing in an "offshore transaction" as defined in Regulation S and is not requesting registration of the relevant Offer Shares from within the United States or any other Restricted Jurisdiction and such person is not a US Person; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Offer Shares in respect of the Offer or to use the Entitlement and Acceptance Form or making a BPAY payment in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Offer Shares into any of the above territories. The Company and/or the Registrar may treat as invalid any acceptance or purported acceptance of the allotment of Offer Shares comprised in an Entitlement and Acceptance Form if it: (i) appears to the Company or its agents to have been executed, effected or despatched from the United States or any other Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in the United States or any other Restricted Jurisdiction for delivery of the share certificates of Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph (a).

(b) *Eligible Depositary Interest Holders*

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part 2: "Terms and Conditions of the Offer" represents and warrants to the Company that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) he or she is purchasing in an "offshore transaction" as defined in Regulation S and is not a US Person and is not within the United States or any other Restricted Jurisdiction; (ii) he or she is not in any territory in which it is unlawful to make or accept an offer to acquire Offer Shares; (iii) he or she is not accepting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) he or she is not acquiring any Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Offer Shares into any of the above territories.

(c) United Kingdom

In respect to the Offer made to holders on the ASX whose address as recorded on the Register is in the United Kingdom neither the information in this Offer Booklet nor any other Offer Booklet or document have been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of any new shares issued as part of this capital raising.

Since the number of Offer Shares to be issued under the Offer is below €8 million, the Offer does not constitute an offer of transferable securities to the public within the meaning of the Prospectus Regulations Rules and, as such, this document does not constitute a prospectus.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of any of the shares issued under the capital raising has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who fall within the exemption set out in Article 43 of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO") (non real time communications by or on behalf of a body corporate to members of that body corporate), or (ii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

6.7 *Waiver*

The provisions of this paragraph 6 and of any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company in its absolute discretion. Subject to this, the provisions of this paragraph 6 supersede any terms of the Offer inconsistent herewith. References in this paragraph 6 to Shareholders shall include references to the person or persons executing an Entitlement and Acceptance Form and, in the event of more than one person executing an Entitlement and Acceptance Form, the provisions of this paragraph 6 shall apply to them jointly and to each of them.

7. No withdrawal rights

An application under the Offer once made is irrevocable and cannot be withdrawn or changed.

8. Brokerage and stamp duty

No brokerage is payable for the issue of Offer Shares pursuant to this Offer Booklet. No stamp duty is payable for subscribing for Offer Shares under the Offer or for Excess Shares under the Excess Application Facility.

9. Admission, settlement and dealings

The result of the Offer is expected to be announced on 16 July 2020. Application will be made to the London Stock Exchange for the Offer Shares to be admitted to trading on AIM and applications will also be made to the ASX for the Offer Shares to be admitted to trading on the ASX. It is expected that Admission will become effective and that dealings in the Offer Shares, fully paid, will commence at 8 a.m. (BST) on 21 July 2020 on AIM.

The Depositary Interests are already admitted to CREST. No further application for admission to CREST is accordingly required for the Offer Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Offer Entitlements and Excess CREST Offer Entitlements held in CREST are expected to be disabled in all respects after 11 a.m. (BST) on 10 July 2020 (the latest date for applications under the Offer). If the condition(s) to the Offer described above are satisfied, the Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. On 20 July 2020, the Registrar will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Offer Shares with effect from Admission (expected to be 8 a.m. (BST) on 21 July 2020). The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE Instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send Eligible Depositary Interest Holders an Entitlement and Acceptance Form instead of crediting the relevant stock account with Offer Entitlements and Excess CREST Offer Entitlements, and to allot and/or issue any Offer Shares. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

If the conditions to the Offer described above are satisfied, the Offer Shares will be issued in uncertificated form to those persons who submitted a valid Entitlement and Acceptance Form or made a valid BPAY Payment for the Offer Shares and whose applications have been accepted by the Company as follows:

1.1 Eligible Shareholders will not receive a certificate but will receive a statement of their holding of Offer Shares.

1.2 Broker sponsored Eligible Shareholders will receive a CHESS statement. The CHESS statement will set out the number of Offer Shares issued under this Offer, provide details of your holder identification number, and provide the participant identification number of the sponsor and the terms and conditions applicable to the Offer Shares.

1.3 Eligible Shareholders registered on the Issuer Sponsored sub-register will receive a holding statement dispatched by the Registry that will contain the number of Offer Shares issued under this Offer and the security holder reference number.

10. Broker Handling Fee

A handling fee equal to 2.0% (exclusive of GST) of the application amount of Offer Shares will be paid to stockbrokers who submit a valid claim for a broker handling fee on successful applications from their retail clients.

The Handling Fee will be payable to any Broker who submits to the Registry:

(a) A valid and duly completed claim form (Claim Form) which sets out:

(i) the Broker’s Participant Identification Number; and

(ii) a representation (A) that neither the Broker nor its associate is the applying Shareholder and (B) that the fee will not be passed on or otherwise shared directly or indirectly with the applying Shareholder and;

(b) a list of applications (Application List) which contains:

(i) the registered name and address for each Shareholder to whom the Claim Form relates;

(ii) the Holder Identification Number or Shareholder Reference Number for each Shareholder to whom the Claim Form relates:

(iii) the Entitlement Number and;

(iv) the value of Shares each Shareholder applied for in the Offer and the date of the relevant application.

Handling fee claims must be lodged with the Share Registry by 5.00pm (AEST) on Friday 17 July 2020, being the day prior to the allotment date.

If Tlou Energy receives applications for in excess of Offer Shares and scales back applications, the handling fee will be calculated on the claims made but net of the application money refunded to applicants.

11. Times and dates

To the extent permitted by the ASX Listing Rules, the Company shall, after consultation with its financial and legal advisers, be entitled to amend the dates that Entitlement and Acceptance Forms are despatched or amend or extend the latest date for acceptance under the Offer and all related dates set out in this document and in such circumstances shall make an announcement on a Regulatory Information Service and the company announcements platform of the ASX but Eligible Holders may not receive any further written communication.

12. Taxation

Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Offer should immediately consult a suitable professional adviser.

13. No Cooling-Off Rights

Cooling-off rights do not apply to an investment in Offer Shares. You cannot, in most circumstances, withdraw your application once it has been accepted.

14. Other interests

Persons holding rights or interests in relation to Shares (such as options to subscribe for Shares or Performance rights), will not be entitled to participate in the Offer in respect of those rights or interests unless they have become entitled to exercise their right or interest under the terms of their issue and do so such that they become the holder of Shares and an Eligible Holder in respect of those Shares.

15. Alteration of terms

Tlou Energy reserves the right, at its discretion, to vary all or part of the Offer at any time, subject to the Corporations Act and ASX Listing Rules and any other law or regulation to which the Company is subject.

16. Governing law and jurisdiction

The terms and conditions of the Offer as set out in this document, the Entitlement and Acceptance Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, the laws of Queensland, Australia. The courts of Queensland are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Offer, this document or the Entitlement and Acceptance Form. By taking up Offer Shares, whether by way of their Offer Entitlement or through the Excess Application Facility (as applicable), in accordance with the instructions set out in this document and, where applicable, the Entitlement and Acceptance Form, Eligible Holders irrevocably submit to the

jurisdiction of the courts of Queensland and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

17. Further information

Your attention is drawn to the further information set out in this document and also, for Eligible Shareholders to whom an Entitlement and Acceptance Form was sent, to the terms, conditions and other information printed on the Entitlement and Acceptance Form.

Part 3

RISK FACTORS

1. Introduction

The Offer Shares and the New Options attaching to the Offer Shares offered under this Offer Booklet should be considered speculative because of the nature of the Company's business. There are numerous risk factors involved with the Company's business. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade. You are strongly recommended to consult an investment adviser authorised under the FSMA if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser, who specialises in the acquisition of shares and other securities before making a decision to invest.

The following is a summary of some of the more material matters to be considered, but are not set out in any particular order. However, this summary is not exhaustive and potential investors should examine the contents of this Offer Booklet in its entirety and consult their professional advisors before deciding whether to apply for the Offer Shares.

If any of the circumstances identified in the risk factors were to materialise the Company's business, financial condition and operating results could be materially affected. In particular, the Company's performance is likely to be affected by changes to the market and/or economic conditions and/or legal, accounting, regulatory and tax requirements currently unknown by the Company. Investors should note that the trading price of the Shares could decline due to any of these risks and investors may lose all or part of their investment.

Additional risks which are not presently known to the Board, or that the Board currently deems to be immaterial, may also have an effect on the Group's business, financial condition and operating results.

2. Industry and Company Specific Risks

(a) **Exploration & Production Risk:** The exploration for, and development of, hydrocarbons is a highly speculative activity which involves a high degree of risk. Tlou may be unable to discover reserves of sufficient size or complete wells with flow rates sufficient enough to be commercially viable. Accordingly, the Shares should be regarded as a highly speculative investment and an investment in the Company should only be made by those investors with the necessary expertise to evaluate the investment fully and who can sustain the total loss of their investment.

As Tlou is currently in the exploration and appraisal stage, Tlou has not generated revenues from the commercial production or sale of natural gas. Accordingly, it is not possible to establish a track record based on the exploration projects of the Group. The production of gas from pilot wells is inconsistent and pilot production rates experienced do not guarantee that commercial production will be achieved in the desired time frames or at all. The Group's ability to move any or all of its projects into commercial production is subject to a number of factors, some of which will be outside its control.

Additionally, even if one or more of the Group's projects achieves profitability, the Group will need to continue to invest in both these and other projects and there can be no certainty as to when, if ever, the Group will be profitable as a whole or whether such profitability will be sustainable on an individual project or on a Group wide basis.

xvii. **Operational Risk**: CBM exploration and development activities and electricity generation through gas fired power or solar power involve numerous operational risks, including encountering unusual or unexpected geological formations, mechanical breakdowns or failures, accidents, human errors, weather conditions, shortages or delays to delivery of equipment, compliance with government requirements and other unexpected events which occur in the process of drilling and operating wells. In particular, the Group operates in areas where surface flooding can occur in the summer months, and wildfire can occur in the later winter, the latter being the bigger risk to the Group's operations. The occurrence of any of these risks could result in substantial financial losses to Tlou due to injury or loss of life, hampering construction and operation activities, damage to or destruction of property, natural resources or equipment, environmental damage or pollution, clean-up responsibilities and regulatory investigation, amongst other factors. Damages occurring to third parties as a result of such risks may give rise to claims against the Group which may not be covered fully by insurance or at all. The Directors will (in conjunction with Senior Management) endeavour to anticipate, identify and manage the risks inherent in the activities of the Group, with the aim of eliminating, avoiding and mitigating the impact of risks on the performance of Tlou and its business operations. The ability of the Directors to do so may be affected by matters outside their control and no assurance can be given that the Directors will be successful in these endeavours.

xviii. **Resources and Reserves Risk:** The estimation of natural gas resources and reserves involves subjective judgements and determinations based on geological, technical, contractual and economic information. There is uncertainty in the estimates and it is not an exact calculation. The estimates may change because of new information from operational activities or changes in economic factors, such as assumptions regarding incomes and costs. It may also alter because of acquisitions and disposals, new discoveries and extensions of existing fields as well as the application of improved recovery techniques. Published resources and reserves estimates may also be subject to correction in the application of published rules and guidance.

xix. **Tenement Risk:** In Botswana, the government owns all the mineral and land rights and grants exploration and development licences pursuant to Botswana's Mines and Minerals Act. Along with the right for exploration and development, the licensee receives the right for surface access to the land. There are numerous temporary surface rights holders for each licence area. The holder of a licence, where its access causes disruption to another surface right holder, is obliged to negotiate with the other surface holder for access and appropriate compensation in respect of disruption. Tlou's licences are located in the Karoo-Kalahari Basin. Tlou must negotiate with the relevant government authorities to arrange access to these areas when undertaking drilling and exploration activities.

The Company holds one mining (or development) licence and nine prospecting (or exploration) licences. The mining licence was granted on 21 August 2017 and is valid until 20 August 2042.

Prospecting (or exploration) licences are granted for an initial period of up to three years and may be renewed up to two times for a period of two years per renewal. Additional "special" renewals are required thereafter. The four Lesedi prospecting licences have had five renewals and would require "special" renewals on the expiry on either 30 September 2020 or 31 March 2021 (as applicable). The five Mamba licences have had two renewals and would require "special" renewals on the expiry on 30 September 2021. The Boomslang prospecting licence is currently in its initial three-year period which expires on 31 March 2022 at which time it can be renewed for the first of two two-year renewal periods. The Company is unable to guarantee that the licences will be renewed.

Each licence requires the holder to fulfil minimum stipulated annual work and spending commitments. In the event that such minimum commitments are not met, the Botswana government has the right to suspend or cancel the prospecting licence. The Lesedi and Mamba Licences are considered by the Directors to be key to the exploration activities of Tlou in Botswana, and if the

Group was unable to successfully renew the licences, if required, this could have a material effect on the Group's business, financial condition and prospects.

The conduct of the Group's operations and the steps involved in satisfying the applications for renewal involve compliance with numerous procedures and formalities. It is not always possible to comply with, or obtain waivers from, all such requirements and it is not always clear whether requirements have been properly completed, or whether it is possible or practical to obtain evidence of compliance. In some cases, failure to follow such requirements or obtain relevant evidence may call into question the validity of the actions taken. The final grant of all renewals involves the exercise of administrative functions (including discretion), which are beyond the control of the Group.

In the event that Tlou believes there is enough gas to move into a production phase for any of its exploration tenements in Botswana, the exploration licences will need to be converted to mining licences. There is a possibility that the mining licences will not be granted.

Any failure to obtain a renewal of an exploration permit or the granting of a mining licence in any jurisdiction in which Tlou operates may have a material adverse effect on the ability of Tlou to explore and produce CBM in the areas comprised in those licences. There is also a risk that some or all of the granted prospecting licences are revoked in the future.

xx. **Electricity Markets Risk:** Tlou Energy's possible future revenues are expected to be derived from electricity sales. The profitability of Tlou Energy's business will be determined by the future market for electricity and the price available for power supplied by the Company. The price required to achieve adequate returns on Tlou Energy's business will vary depending on factors including generation costs, cost of gas production including drilling costs, economies of scale and gas flow rates. Numerous factors outside the control of Tlou Energy impact on electricity prices. The Company cannot provide a guarantee on the price of electricity. Botswana Power Corporation (BPC) is the government-owned electrical utility and is responsible for the supply, transmission, and distribution of electricity throughout Botswana. Access to the power grid in Botswana is controlled by BPC. Tlou Energy has negotiated an initial 2MW power purchase agreement (PPA) with BPC. Signing of the PPA is subject to final approvals including agreement on connection to the power grid.

In order for Tlou to expand generation the Company will need to secure further power purchase agreements for the supply of gas-fired power generation and solar power into the grid and access to the power grid. Any substantial decline in the price of electricity is likely to have a material adverse effect on the financial position of Tlou Energy. The Company cannot guarantee that power purchase agreements or grid access will be secured, or the price of electricity.

xxi. **Coronavirus Outbreak:** The current outbreak of coronavirus has had an impact on the Group's businesses and will continue to do so. The timescale attached to this risk is not currently known. There is a risk that the outbreak has a material adverse impact on the Group's operations and financial results.

The Botswana Government issued a State of Emergency 2 April 2020. The lockdown is currently being eased however the government has divided the country into zones to restrict movement of people. The Company may be impacted by the availability of key personnel to visit the field operations due to health and safety concerns and travel restrictions as a result of Covid-19.

As announced on 16 April 2020, Tlou has considered it prudent to significantly reduce overheads so that the existing funds last longer and to enable the Company more time to conclude commercial and project finance negotiations. Cost reductions will remain in place for the foreseeable future, with further reductions possible if considered necessary.

xxii. **Gas Flow Rates & Gas Sales Agreement Risk:** The rate at which gas flows from Tlou Energy's wells will be a determinant of its profitability. There is a risk that gas flow rates from Tlou Energy's

wells will not be sufficient to meet the requirements of future gas supply contracts. This may result in a breach of contract and open up Tlou to a claim for damages or further remedies and/or increased development expenditure to drill more wells than originally anticipated. There is also a risk that Tlou Energy may not be able to procure gas sales agreements for its gas business on reasonable terms, which may adversely affect the profitability of Tlou Energy.

xxiii. **Drilling and Completion Techniques Risk:** Tlou Energy may use horizontal drilling and/or hydraulic fracturing technology in its exploration and development activities. The use of these drilling technologies may be necessary for the production of commercial quantities of gas from geological formations of the type that Tlou Energy is targeting. There has been an increase in interest by governments and the public in hydraulic fracturing and the enactment of any new laws, regulations or requirements by any relevant government authority in respect of hydraulic fracturing could result in operational delays, increased operational costs and potential claims from a third party or governmental authority. Restrictions on the use of hydraulic fracturing may reduce the amount of gas Tlou Energy can produce and may have a material impact on Tlou Energy's business.

xxiv. **Access to Infrastructure Risk:** Infrastructure is a key path to market for a gas and power producer and any limitation of infrastructure exposes a producer to potential cost and capacity constraints. Discoveries in remote locations may be difficult and expensive to commercialise due to infrastructure and transport costs. The sharing with other industry participants of transport and operating infrastructure is common in the gas sector. Any delay or failure to access properly maintained operating infrastructure or shared facilities may have a material adverse effect on the Company. Tlou’s potential future earnings, profitability, and growth are likely to be dependent upon Tlou being able to successfully implement some or all of its commercialisation plans.

The ability for Tlou to do so is further dependent upon a number of factors, including matters which may be beyond the control of Tlou, for example may not be successful in securing identified customers or market opportunities. Part of Tlou’s development plan and growth opportunities include the supply of CBM and electricity to the Botswana market and other external markets. There is no guarantee that suitable infrastructure will be available, or available on acceptable and economic terms, to deliver CBM or electricity to those markets.

The transportation and service infrastructure in Botswana are under-developed and can be unreliable in some of the areas where the Company is operating. Material delays in the transportation of equipment, supplies and resources may delay the exploration and development of the Company’s projects and/or the commercialisation of those projects. Any such delay is likely to increase the cost of exploring and developing the projects, and such increase may materially affect the Company’s business, results of operations and financial condition. Tlou’s ability to sell and market any CBM produced or electricity generated will be negatively impacted should it be unable to secure adequate transportation and processing. Access will depend on the proximity and capacity of transmission lines, pipelines and processing facilities. Further Tlou may be required to develop its own transmission line or pipeline infrastructure or secure access to third party pipeline infrastructure in order to deliver CBM or electricity to key markets or customers. The development of its own transmission line or pipeline infrastructure will be subject to Tlou obtaining relevant approvals including transmission line or pipeline licences. Access to third party infrastructure cannot be guaranteed given that transmission lines or pipelines may not be developed with an open access regime. To supply electricity into the power grid, Tlou will need to agree connection with Botswana Power Corporation. The Company cannot guarantee that such agreement will be achieved.

xxv. **Joint Venture Risk:** Tlou Energy is not currently a party to joint venture or joint operating agreements for any of its tenements in which it holds an interest. If the interest held by Tlou Energy in any of its tenements is relinquished or transferred to a third party this will likely give rise to the establishment of joint venture or joint operating agreement under which Tlou Energy might be voted

into programs and budgets which are not in line with the objectives and strategy of Tlou Energy or that Tlou Energy does not have the cash resources to fund. Tlou Energy may be required to contribute to increases in capital expenditure requirements and/or operating costs where the requirements of the project change or in circumstances where any or all of the joint venture parties are unable to fund their pro rata contributions to expenditure.

xxvi. **Environmental Risk:** Tlou Energy's operations and projects are subject to state and federal laws and regulation regarding the environment. These laws and regulations set various standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to remediate current and former facilities and locations where operations are or were conducted. Significant liability could be imposed on Tlou Energy for damages, clean-up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of property acquired by Tlou Energy, or noncompliance with environmental laws or regulations. Tlou Energy proposes to attempt to minimise these risks by conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage.

xxvii. **Royalties and Taxes:** In the event that Tlou believes it has sufficient CBM resources to move into a production phase, the CBM exploration licences will need to be converted to mining licences, under which a royalty is payable to the Botswana Government. This royalty is currently 3% of gross market value. Gross market value is defined as the sale value receivable at the mine gate in an arm's length transaction without discounts, commissions or deductions for the mineral or mineral product on disposal. In addition to the royalty payable, Tlou will also be subject to a corporate tax rate of at least 22% and a 7.5% dividend withholding tax on any earnings in Botswana.

In the event Tlou moves into CBM production in connection with the Lesedi Licences (which is considered key to Tlou's operations), pursuant to the Farm-In Agreement, Sekaname, Sable Energy's farm-in partner is also be entitled to a payment of the greater of South African Rand 2.0/Mcf produced at the wellhead, or 12.5% of the wellhead selling price, and Kalahari, Sable Energy's other farm-in partner, may also be entitled to develop and exploit any excess reserves. Wellhead selling price is based on actual proceeds received by Tlou less actual costs incurred to transport the gas and to gather, compress, treat and process the gas (or where such facilities are owned by Tlou, fees ordinarily payable for these services). If Tlou's farm-in partners become entitled to such payments, it could adversely affect Tlou's financial position, performance and prospects. Any change to the royalties or tax rates in Botswana or any of the countries in which Tlou is successful in producing gas may have a material adverse effect on the ability of Tlou to commercially produce and sell CBM from the areas comprised in those applications.

xxviii. **Country, Geopolitical and Sovereign Risk:** The Company is currently involved in CBM operations in Botswana and may explore CBM opportunities in other Southern Africa countries in the future. Whilst Botswana is a relatively stable democratic system and diversifying economy, with a low corruption index (in the context of Africa), according to the Corruption Perceptions Index published by Transparency International, and civil unrest and disorder are rare, the Group may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors. There can be no assurance that the political environment in these jurisdictions will continue to be stable now or in the future and this could have an adverse impact on the Group's operations and assets. Other risks and uncertainties include, but are not limited to, high rates of inflation, labour unrest, currency exchange rate fluctuations, limitations on repatriation of profits, renegotiation or nullification of existing licences, changes in taxation policies, currency controls and regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens, or purchase supplies from, a particular jurisdiction.

The occurrence of any of these risks or any material changes in government policies, attitude or legislation that affect foreign investment, repatriation of foreign currency, taxation or mineral exploration, development or mining activities, may adversely affect the viability and profitability of the Company's assets and operations in Botswana or other southern Africa jurisdictions in a highly material manner. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral tenure and development, could result in loss, reduction or expropriation of entitlements.

Legal Risks: The Company's operations in Botswana are subject to the jurisdiction of the courts in Botswana. The legal system may be affected by political instability in Botswana and additional legal risks, such as political influence in obtaining effective legal redress in courts and a high degree of discretion on the part of government agencies, may arise as a result. Further the introduction of new legislation, amendments to existing legislation, the application of developments in existing common law, or the interpretation of those laws, could adversely affect the viability and profitability of the Company's assets and operations in Botswana.

xxix. **Legislation and Regulatory Risk:** Tlou Energy's activities in the petroleum industry are subject to legislation, regulation and approvals. The introduction of new legislation, amendments to existing legislation, the application of developments in existing common law or policies or the interpretation of those laws or policies, particularly in relation to, land access arrangements, environmental approvals, a carbon tax or similar, the effect of greenhouse gases legislation, royalties and production and exploration licensing may adversely affect Tlou Energy's future operations and financial performance. Tlou Energy will, from time to time, require various government regulatory approvals for its transactions and operations and must comply with those approvals, applicable laws, regulations and policies. In particular, Tlou Energy may require licences and approvals in relation to mining activities, solar power installation and generation, environmental matters and the manufacture and supply of gas and generation of electricity. There is a risk that Tlou Energy or a joint venture that it is a party to may not obtain, or there may be a delay in obtaining, the necessary licences and approvals. This may affect the timing and scope of transactions and work that can be undertaken. Further, a failure to comply with a licence, approval or applicable law may affect the timing and scope of work that can be done. The loss of granted tenements or failure to obtain relevant approvals in relation to them may have a material adverse effect on Tlou Energy process. By way of example, in the context of the current political environment, the introduction of legislation that further restricts or inhibits gas exploration and production, changes to strategic cropping, native title, land access or overlapping tenement arrangements or the introduction of legislation that restricts or inhibits exploration and production would likely operate to Tlou Energy's detriment.

xxx. **Competition Risk:** As a result of high levels of demand in the natural resource industries, a shortage of supply of material, labour and services could impact adversely on exploration or production activities.

xxxi. **Insurance Risk:** Insurance of all risks associated with gas exploration and production is not always available and, where available, the cost can be high. Tlou Energy will have in place insurance considered appropriate for Tlou Energy's needs; however, there is no guarantee that such insurance will be sufficient in all circumstances.

xxxii. **Litigation Risk:** Tlou Energy may be exposed to potential legal and other claims or disputes in the future which could negatively impact Tlou Energy's financial performance through damages payments and harm to reputation.

xxxiii. **Occupational Health and Safety Risk:** Gas exploration and production and electricity generation may expose Tlou Energy's staff to potentially dangerous working environments. If any of Tlou Energy's employees suffered injury or death, compensation payments or fines may be payable and such circumstances could result in the loss of a licence or permit required to carry on the business.

xxxiv. **Financing Risk:** Tlou Energy, in order to meet future ongoing work programs, will likely require additional capital (via asset sales, farm-ins, equity, etc.). There can be no assurance that sufficient capital funding will be available to Tlou Energy on favourable terms or at all. If Tlou Energy is unable to raise necessary capital, there may be a reduction in planned capital expenditure which could have a material adverse effect on Tlou Energy's ability to expand its business and/or maintain operations at current levels; this could, in turn, have a material adverse effect on Tlou Energy's business, financial condition and operations. Any additional capital requirements may dilute existing Shareholdings as well as having a material effect on the value of the shares in the Company. The Company are in negotiations with Botswana Development Corporation (BDC) an investment arm of the Government of Botswana aimed at securing funding for up to 10MW of power generation. The Company are negotiating a term sheet with BDC, which is progressing through BDC's internal corporate processes. If the term sheet is signed, due diligence covering commercial, technical, legal, reputational, environmental, social and governance will need be completed. The Company cannot guarantee that negotiations with BDC will be successful, that a term sheet will be signed or that due diligence process will be successful. In the even that some or all of these are unsuccessful, the Company may not have sufficient funds available to progress the its operations and will need to seek alternative funding. This may adversely affect the viability and profitability of the Company's assets and operations in a highly material manner.

xxxv. **Reliance on Key Personnel Risk:** The Company is reliant on its senior management and key personnel. There is a risk that Tlou Energy may not be able to retain or hire all necessary personnel. Tlou Energy's progress in pursuing its exploration and appraisal programs within the timeframes and currently envisaged cost structure could be influenced by the loss of existing key personnel or a failure to secure and retain additional key personnel as Tlou Energy's exploration and appraisal programs progress. The result of such loss would depend on the quality and timing of the employee's replacement. Although Tlou Energy's key personnel have a considerable amount of experience and have previously been successful in their pursuits of acquiring, exploring and evaluating mineral projects, there is no guarantee or assurance that they will be successful in their objectives.

xxxvi. **Equity Underwriting**

The Company has entered into an Underwriting Agreement under which the Underwriter has agreed to partly underwrite the Offer. Prior to settlement of the Offer there are certain events which if they were to occur may affect the Underwriter's obligation to underwrite the Offer. If certain conditions are not satisfied or certain events occur under the Underwriting Agreement, the Underwriter may terminate the Underwriting Agreement and may require the Company to search for alternative financing. If the Underwriting Agreement is terminated for any reason then the Company may not receive the full amount of proceeds expected under the Offer and its financial position might change and it might need to take other steps to raise additional capital.

3. General investment risks

xxxvii. **Economic Risk:** Factors such as economic outlook, inflation, currency fluctuation, interest rates, demand, global geo-political events and hostilities and industrial disruption have an impact on operating costs, oil and gas prices and share market conditions. Tlou Energy's future possible profitability and the market price of Tlou Energy Shares can be affected by these factors which are beyond the control of its Directors.

xxxviii. **Investing in Shares:** Once the Offer Shares are quoted on the ASX, BSE and AIM, their price may rise or fall and they may trade at prices below or above the Issue Price. There also can be no assurance that the Offer Shares will be traded actively. In common with other listed entities, Tlou Energy's Shares can be affected by factors that are unrelated to the operating performance or underlying value of the Company, such as domestic and international economic conditions. These

fluctuations may adversely affect the price of Tlou Energy's Shares, including the Offer Shares once issued.

xxxix. **General economic conditions:** Tlou Energy's operation and financial performance is affected by general economic business conditions including inflation levels, interest rates, exchange rates, government fiscal and monetary policies, and changing healthcare policy and medical reimbursement in the jurisdictions in which Tlou Energy operates. A sustained decline in general economic condition, such as an increase in interest rates, could be expected to have a material adverse effect on Tlou Energy's operation and financial standing.

xl. **Accounting standards:** Australian accounting standards are set by the Australian Accounting Standards Board (**AASB**) and are therefore outside the Directors' and Tlou Energy's control. Changes to accounting standards issued by the AASB could materially adversely affect the way in which Tlou Energy's financial performance is perceived by the market.

xli. **Taxation risks:** Changes to tax law in Botswana, Australia, New Zealand, the UK or other jurisdictions in which Tlou Energy and its Shareholders operate may affect Tlou Energy and its Shareholders. Personal tax liabilities are the responsibility of each individual investor and Tlou Energy has no responsibility for taxation or taxation penalties incurred by its Shareholders.

xlii. **Equity market conditions:** Securities listed on the stock market can experience extreme price and volume fluctuations that are unrelated to the operating performances of such companies. The market price of Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. General factors that may affect the market price of Shares include economic conditions in Australia, Botswana, the UK and internationally (particularly Australian, US and Chinese economic conditions), investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

xliii. **Business factors:** The continuing economic viability of Tlou Energy will be dependent on managing risk factors normally found in conducting a business, including management of contractual risks, litigation due to breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise), strikes, lockouts, loss of services of key management or operational personnel or change in tax and accounting laws. There can be no assurance that parties with whom Tlou Energy has entered into commercial arrangements will adhere to the terms of the contracts and arrangements. There is the potential of material failure by or insolvency of any contractor used by Tlou Energy in any of its activities. Such being the case, this could cause disruption to the operations of Tlou Energy. Tlou Energy is unable to predict the risk of insolvency or other managerial failure by any of its contractors or other service providers used by the Company. All of the mentioned business factors could have a material adverse effect on the results of the operations or the financial condition of Tlou Energy.

Part 4

ADDITIONAL INFORMATION

This Offer Booklet and the Entitlement and Acceptance Form (**"Information"**) have been prepared by Tlou Energy.

You should read this Information carefully and in its entirety before deciding to invest in Offer Shares. In particular you should consider the risk factors referred to in the "Risk Factors" Part 3 of this Offer Booklet that could affect the performance of Tlou Energy or the value of an investment in Tlou Energy.

The past performance of Tlou Energy, and the past Share price of Tlou Energy should not be relied upon as (and is not) an indication of future performance.

1. Nominees and Custodians

Nominees and custodians (which hold Shares) should consider carefully the contents of this Offer Booklet and note in particular that the Offer is not available to Ineligible Shareholders.

Tlou Energy is not required to determine whether or not any Shareholder is acting as a nominee or the identity or residence of any beneficial owners of Shares or Entitlements. Where any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws. Tlou Energy is not able to advise on foreign laws. Nominees and custodians may not distribute any part of this Offer Booklet or any Entitlement and Acceptance Form in the United States or in any other country outside the United Kingdom, Australia and New Zealand, except to beneficial shareholders who are institutional investors, sophisticated or professional investors in other countries listed in, and to the extent permitted under paragraph 6 "Overseas Shareholders" in Part 2 and to the extent the Company may determine it is lawful and practical to make the Offer.

2. Rights issue exception not available

No nominee has been appointed for Ineligible Shareholders under section 615 of the Corporations Act and, as such, Eligible Shareholders will not be able to rely on the exception for rights issues in Item 10 of Section 611 of the Corporations Act. Accordingly, when an Eligible Shareholder applies for some or all of their Entitlement, they must have regard to section 606 of the Corporations Act. Eligible Shareholders who may be at risk of exceeding the 20% Voting Power threshold in section 606 as a result of acceptance of their Entitlement or subscribing for Excess Shares pursuant to the Excess Application Facility should seek professional advice before completing and returning the Entitlement and Acceptance Form.

3. Litigation

So far as the Company is aware, there are no legal or arbitration proceedings, active or threatened against, or being brought by, the Company which may have a material effect on the Company's financial position.

4. Underwriting

The Company has entered into an underwriting agreement with the Underwriter dated 15 June 2020 ("**Underwriting Agreement**"), pursuant to which the Underwriter has agreed to underwrite the Offer by procuring Applications for any Offer Shares that are not subscribed for by Eligible Shareholders pursuant to the Offer and Excess Application Facility, for the First Tranche of the Offer being A$2,000,000 ("**the Underwritten Amount**"). The Underwriter has agreed to underwrite the First Tranche of the Offer, only.

The Company has agreed to pay to the Underwriter an aggregate fee of 6% of the Underwritten Amount ("**Underwriting Fee"**).

The Company has also agreed to grant the Underwriter 10,000,000 New Options on closing the Offer, and an additional 10,000,000 New Options if the Company receives valid Applications for an aggregate of A$3,000,000.

The Company will also be required to indemnify the Underwriter for certain costs and expenses incurred by it in relation to the Offer, including certain due diligence and legal fees.

The Underwriter is entitled to and has advised that it will engage sub-underwriters on such terms and conditions as it determines in its absolute discretion, provided such engagements are in compliance with all applicable laws.

The Underwriting Agreement contains various representations, warranties, indemnities and undertakings in favour of the Underwriter that are not unusual for an underwriting arrangement of this sort. In particular, the Underwriting Agreement contains various representations and warranties by the Company relating to the Company and its business, including information provided to the Underwriter and disclosed to the ASX. The Underwriting Agreement also imposes various obligations on the Company, including undertakings to do certain things, including providing certain notices to the Underwriter and the ASX within prescribed periods. The Underwriting Agreement also places certain restrictions on the Company from the date of the Underwriting Agreement, including restrictions on amendments to its constitution, disposing of the whole or a substantial part of its business or property and restrictions on the issue of Shares by the Company.

The obligation of the Underwriter to underwrite the Offer are conditional on customary conditions including, amongst others, the dispatch of this Offer Booklet and certain events not occurring during the period from opening of the Offer and the closing of the Offer.

If certain events occur, the Underwriter has the right (depending in some cases if the event would have a materially adverse effect on the Offer) to terminate the Underwriting Agreement. In summary, these include:

(a) the Standard and Poors / ASX 200 Index is at any time up to the day Shortfall Notice (as defined in the Underwriting Agreement) is provided to the Underwriter 10% or less of the level that Index attained at the close of trading on the Business Day before the date of signing the Underwriting Agreement;

(b) the Company defaults on certain terms, conditions, covenants or undertakings of the Underwriting Agreement;

(c) the Underwriter reasonably forms the view that a notice under section 708AA(10)(c) of the Corporations Act is required and the Company fails to provide such notice to the ASX;

(d) insolvency or similar event occurs in respect of the Company;

(e) any person is appointed under legislations to investigate the affairs of the Company;

(f) an outbreak of hostilities not presently existing or an escalation of hostilities occurs (whether war has been declared or not) or a terrorist act is committed involving any one or more of Australia, New Zealand, the United Kingdom, the United States of America, the People's Republic of China (including the Special Administrative Region of Hong Kong), the countries of the former Union of Soviet Socialist Republics (excluding wars or hostilities within those countries), North Korea, South Korea, Indonesia, Botswana, South Africa or Japan which would, in the Underwriter's reasonable opinion, materially and adversely affect the Company or the Offer;

(g) a contravention by the Company of its Constitution, the Corporations Act or the Listing Rules or any other applicable legislation, policy or requirement of ASIC or ASX;

(h) there is a change in the composition of the Board or a change in the senior management of the Company before completion of the Offer, without the prior written consent of the Underwriter (which may not be unreasonably withheld);

(i) any event specified in the Timetable (as defined in the Underwriting Agreement) (as may be varied in accordance with the Underwriting Agreement) does not occur within 14 days after the date specified for that event for reasons wholly within the control of the Company;

(j) the Company alters its capital structure in any manner not contemplated by this Offer Booklet; or

(k) a statement contained in this Offer Booklet or any information given to the Underwriter becomes misleading or deceptive or likely to mislead or deceive or a representation, warranty or undertaking in the Underwriting Agreement becomes untrue or incorrect.

5. Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Offer Booklet.

Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by Tlou Energy, the Underwriter or their respective related bodies corporate in connection with the Offer. Except as required by law, and only to the extent so required:

- None of Tlou Energy, the Underwriter or any other person, warrants or guarantees the future performance of Tlou Energy or any return on any investment made pursuant to the Offer Booklet; and

- Tlou Energy, the Underwriter and their respective officers, employees and advisers disclaim all liability that may otherwise arise due to the Offer Booklet being inaccurate or incomplete in any respect.

Part 5

GLOSSARY

£ or Pound	means Great British pounds the currency of the United Kingdom.
A$ or Dollars	means dollars in Australian currency (unless otherwise stated).
Admission	means the admission of the Offer Shares to trading on AIM becoming effective in accordance with the AIM Rules.
AEST	means Australian Eastern Standard Time.
AIM	means AIM, the market of that name operated by the London Stock Exchange.
Application	means an application for Offer Shares pursuant to this Offer Booklet and the term Applicant means a person who has submitted an Application.
Application Monies	means the aggregate amount of money payable for Offer Shares applied for calculated by multiplying A$0.04 (£0.022, (BWP0.32) by the number of Offer Shares subscribed for.
ASIC	means the Australian Securities and Investments Commission.
ASTC	means ASX Settlement Pty Ltd ACN 008 504 532.
ASX	means the Australian Securities Exchange.
ASX Limited	means ASX Limited ACN 008 624 691.
Board	means the Directors as at the date of this Offer Booklet.
BSE	means the Botswana Stock Exchange Limited.
BSE Equity Listing Requirements	means the requirements for listing securities on the equity boards operated by the BSE and thereafter the continuing obligations pertaining to such listed securities, as prescribed by the BSE.
BST	means British Summer Time.
BWP	means Botswana Pula the currency of Botswana.
CHESS	means Clearing House Electronic Sub-register System of ASTC.
Closing Date	means 5:00pm AEST on the date specified in the timetable set out on page 7 of this Offer Booklet or such other date as may be determined by the Directors.
Company or Tlou Energy	means Tlou Energy Limited ABN 79 136 739 967
Computershare UK	means Computershare Investor Services PLC.
Corporations Act	means the *Corporations Act 2001* (Cth).
CREST	means the computerised settlement system operated by Euroclear, which facilitates the transfer of title to securities in uncertificated form.
CREST Manual	means the rules governing the operation of CREST consisting of the CREST Reference Manual, the CREST International Manual, the CREST Central Counterpart Service Manual, the CREST Rules, the CCSS Operations Manual, the Daily Timetable, the CREST Application Procedures and the CREST Glossary of Terms (as updated in November 2001).

Depositary	means Computershare Investor Services PLC acting in its capacity as Depositary pursuant to the terms of the agreement for the provision of depositing services entered into between the Company and Computershare Investor Services PLC nd, as relevant, includes its nominee on the Company's register of members.
Depositary Interests or DIs	means the depositary interests issued by the Depositary representing an entitlement to a Share which may be traded through CREST in dematerialised form.
Directors	means the directors of the Company.
Eligible Depositary Interest Holder	means holders of Depositary in respect of and representing Shares as set out on the register of Depositary Interest Holders of the Depositary on the Record Date (other than Overseas Shareholders).
Eligible Holder	means Eligible Shareholder and Eligible Depositary Interest Holder.
Eligible Shareholder	means a holder of Shares on the register of members of the Company at the close of business on the Record Date (other than the Overseas Shareholders)
Enlarged Issued Share Capital	means the entire issued Share capital of the Company immediately following Admission comprising the Existing Shares and the Offer Shares (assuming there is a full take up of Offer Shares under the Offer).
Entitlement and Acceptance Form	means the form accompanying this Offer Booklet which sets out the entitlements of Eligible Shareholders under the Offer.
Entitlement or Entitlements	means the non-renounceable entitlement for Eligible Holder, pursuant to the Offer, to subscribe for Offer Shares on the basis of 1 Offer Share for every 6 Shares held on the Record Date (and, to the extent that an Eligible Holder holds its Shares through a Depositary, the Depositary shall ensure that the relevant Eligible Holder is able to take up its entitlement under the Offer in the Depositary Interest form).
Euroclear	means Euroclear UK & Ireland Limited, the operator of CREST.
Ex-entitlement Date	19 June 2020.
Excess Application Facility	means the offer to Eligible Holders to subscribe for Excess Shares in excess of their Entitlement provided that they have agreed to take up their Offer Entitlement in full.
Excess CREST Offer Entitlements	means in respect of each Eligible Depositary Interest Holder, the entitlement (in addition to his Offer Entitlement) to apply for Offer Shares to be represented by Depositary Interests, pursuant to the Excess Application Facility, which is conditional on him taking up his Offer Entitlement in full.
Excess Shares	means Offer Shares applied for by Eligible Holders under the Excess Application Facility.
Existing Shares	means 450,180,185 Shares in issue at the Record Date.
FCA	means the Financial Conduct Authority, acting in its capacity as competent authority in the United Kingdom pursuant to Part VI of FSMA.
First Tranche	means the first A$2,000,000 being raised by the Company pursuant to the Offer (equal to 50,000,000 Offer Shares).

FSMA	means the UK Financial Services and Markets Act 2000, as amended from time to time.
Ineligible Shareholders	means any Shareholder who is not an Eligible Holder.
ISIN	means International Securities Identification Number.
Issue Price	means A$0.04, (£0.022, (BWP0.32) per Offer Share.
Listing Rules	means the official listing rules of ASX Limited, as amended from time to time.
London Stock Exchange	means London Stock Exchange plc.
Money Laundering Regulations	means the the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Criminal Justice Act 1993 and the Proceeds of Crime Act 2002.
New Option	means the options to be issued pursuant to the Offer being 1 free-attaching unlisted option for every 2 Offer Shares subscribed for, with each option granting the right to subscribed for one new Share exercisable at $0.08 (8 cents) and expiring 2 years from the date of issue granted in accordance with the New Option Certificate further details of which are set out in paragraph 11 of Part 1.
New Option Certificate	the option certificate is in the form of an unquoted options transaction confirmation statement the terms of the New Options are set out in paragraph 11 of Part 1.
Offer or Entitlement Offer	means the entitlement offer made by the Company to Eligible Holders inviting them to apply to subscribe for Offer Shares and New Options on the terms and subject to the conditions set out in this Offer Booklet and, where relevant, in the Entitlement and Acceptance Form.
Offer Booklet	means this offer booklet dated 15 June 2020 and includes any amended or replacement summary document.
Offer Share or Offer Shares	means a new fully paid share in the capital of the Company to be issued pursuant to the Offer or Excess Application Facility.
Overseas Shareholders	means Shareholders and holders of Depositary Interests who have registered addresses in, or who are resident or ordinarily resident in, or are citizens of a Restricted Jurisdiction.
Prospectus Regulation Rules	means the rules made for the purposes of Part VI of FSMA in relation to offers of securities to the public and admission of securities to trading on a regulated market.
Share Registry	means Link Market Securities GPO Box 3560 Sydney NSW 2001 Australia.
Record Date	means 7.00pm AEST on the date specified in the timetable set out in this Offer Booklet and 6pm. (BST) in respect to Eligible Depository Interest Holdings.
Registered Address	means, in respect of a Shareholder, the address that is recorded in the Company's share register as being the address for the Shareholder.
Regulation S	means Regulation S promulgated under the US Securities Act.
Regulatory Information Service or RIS	means one of the regulatory information services authorised by the London Stock Exchange to receive, process and disseminate regulatory information in respect of AIM quoted companies.

Restricted Jurisdiction	means each and any of Botswana (unless the BSE approves the Offer) Canada, Japan, the Republic of Ireland, the United States and any other jurisdiction where the extension or availability of the Offer would breach any applicable law or regulations.
Shareholder	means a holder of a Share.
Share or Shares	means a fully paid ordinary share in the capital of the Company.
Shortfall	means the extent to which Eligible Holders do not subscribe for Offer Shares pursuant to the Offer and the Excess Application Facility.
UK or United Kingdom	means the United Kingdom of Great Britain and Northern Ireland.
UK Listing Authority	means the FCA in its capacity as the competent authority for the purposes of Part VI of FSMA.
Underwriter	Melbourne Capital Limited.
Underwriting Agreement	Means the underwriting agreement between the Underwriter and the Company dated 15 June 2020, as summarised in paragraph 4 of Part 4.
USD$	means United States dollars the currency of the United States.
US Person	means, among other things and subject to certain exceptions: (i) any natural person resident in the US, (ii) any partnership, corporation or other entity organised or incorporated in the US, (iii) any trust of which any trustee is a US person, (iv) any agency or branch of a foreign entity located in the US, (v) any account held by a dealer or other fiduciary that either is organised, incorporated or resident in the US or holds for the benefit or account of a US Person, or (vi) any partnership or corporation that is organised or incorporated in a foreign jurisdiction by a US person principally for the purpose of investing in securities not registered under the US Securities Act.
US Securities Act	means the United States Securities Act of 1933, as amended.
Voting Power	has the meaning given to that term in the Corporations Act.

CORPORATE DIRECTORY

Board of Directors

Martin McIver – Chairman
Tony Gilby – Managing Director
Colm Cloonan – Finance Director
Gabaake Gabaake – Executive Director
Linah Mohohlo – Non Executive Director
Hugh Swire – Non Executive Director

Registered Office in Australia

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Telephone: + 61 7 3012 9793
Website: www.tlouenergy.com
Email: info@tlouenergy.com
ASX code: TOU
AIM code: TLOU
BSE code: TLOU

Share Registry

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+61 3 1300 910 051 (outside Australia)

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Brisbane Qld 4000

Australian Lawyers

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Brisbane QLD 4000

UK Lawyers
Memery Crystal LLP
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Western Commercial Road,
Central Business District
Gaborone

Depositary (UK)
Computershare Investor Services PLC
Corporate Actions
The Pavilions,
Bridgwater Road
Bristol, BS99 6AH

Nominated Transfer Secretary (Botswana)
Transaction Management Services (Pty.) Ltd.
Trading as Corpserve Botswana
Unit 206, Second Floor, Plot 64516
Showgrounds Close, Fairgrounds
Gaborone