

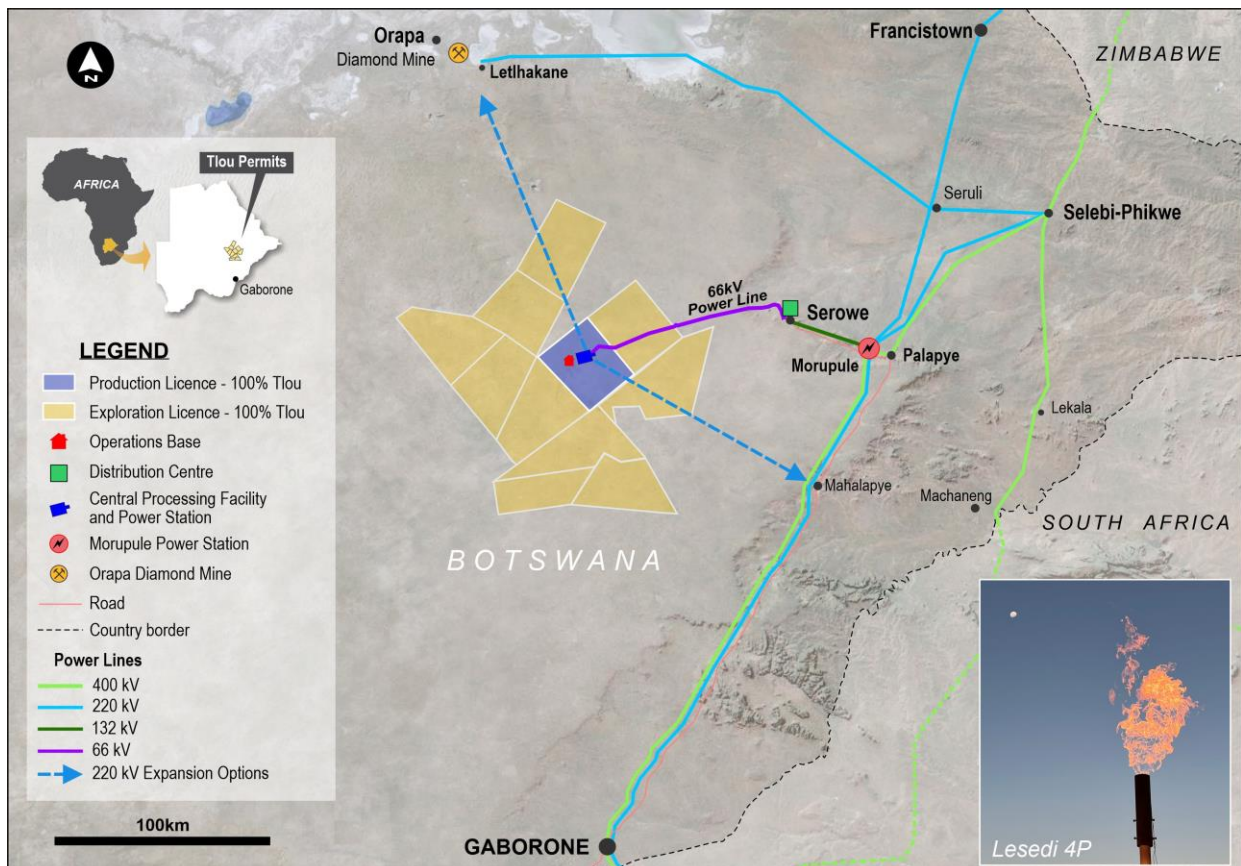
28 April 2025

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

Quarterly Activities Report for the quarter ended 31 March 2025

Highlights

- During the quarter Tlou focused on increasing the gas flow rate and consistency from the Lesedi 4 and Lesedi 6 production pods
- The Company signed a binding agreement with new off-taker Kala Data for the development of a data centre at Lesedi
- Tlou continues to progress the Lesedi Gas-to-Power project towards power generation in the near term



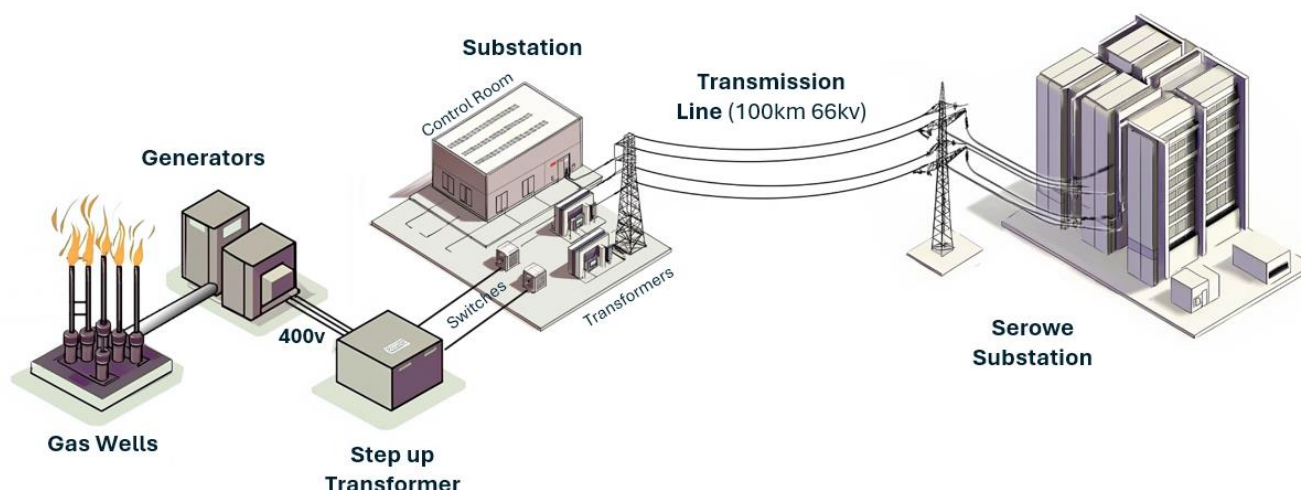
Project Areas

Tlou operates three project areas in Botswana's Central District:

- **Lesedi Project**
Development at the Lesedi project and in particular the 10MW Lesedi gas-to-power project ("Lesedi") is the focal point of current operations.
- **Mamba Project and Boomslang Project**
Both the Mamba and Boomslang projects remain in the exploration phase and will require additional work to be completed before an evaluation of the areas can be made and plans put in place for possible development.

Lesedi Project

Lesedi is Tlou's most advanced project where the Company is developing a 10MW gas-to-power project with gas fired electricity generated on-site to be sold into the existing power grid via BPC's Serowe substation.



The Lesedi project presents an opportunity for Botswana to diversify its base load power sources as the country is heavily reliant on coal and diesel fired power. Load shedding (power outages) has become a regular occurrence in Botswana recently due to issues with the existing power network. The Lesedi gas-to-power project intends to supply first power into the national grid in 2025.

Gas flow

Tlou's Lesedi 4 and Lesedi 6 production pods are required to support first power generation at Lesedi. Operations at Lesedi have been ongoing for some time to achieve consistent and commercial gas flow rates from these wells. The influx of water and build-up of coal fines or particles in the wells has hampered gas production.

To try and alleviate this, operations during the quarter included cleaning out the wells, removing coal fines, bringing the wells back into production and drawing down the water level again. With a significant amount of coal fines removed the flow rate may increase to rates higher than previously recorded. Operations during the quarter have been much more intense than previously to try and determine the highest sustainable gas flow attainable from these existing wells.

Note that Lesedi 4 and Lesedi 6 are dewatering in isolation so removing sufficient water from the coal basin is challenging without additional adjacent wells. Regardless of the flow rates achieved from Lesedi 4 and Lesedi 6, drilling of more production wells will be required which will require further funding – at least part of which should be forthcoming from the recently signed deal with Kala Data.

The initial aim is to try and get consistent gas flow rates sufficient for greater than 0.5MW of electricity from each of Lesedi 4 and Lesedi 6 and then build from there. Prior to the publication of any flow rate, Tlou will need to have the rates verified by an independent third party.

Substation construction

Construction of an electrical substation at Lesedi has been ongoing and is over 90% complete. This substation will tie gas fired generators to the transmission network for sale of electricity into the power grid.

The substation construction was being managed by a division of Murray and Roberts Limited (MR), however, following internal issues at MR during the quarter, Tlou and MR are working on a settlement agreement to amicably terminate the existing construction contract. Thereafter, Tlou will engage subcontractors to finalise the remaining work and complete the substation. This is currently not expected to lead to a significant delay to the project.



Lesedi Substation – Q1 2025

Data Centre development at Lesedi

During the quarter a binding agreement was signed with technology partner Kala Data FZCO for the development of a data centre project at Lesedi.

The proposed facility is a containerised system optimised to handle demanding computing tasks. This requires high performance hardware with high-end processors used for tasks such as machine learning, artificial intelligence, and large-scale scientific simulations. The facility could generate revenue in several ways including cryptocurrency and blockchain services, cloud computing services, data centre leasing, and computational modelling.

This strategic partnership provides Tlou with an alternative revenue stream alongside the 10MW gas-to-power project with BPC. The Kala facility can initially be powered using gas from Lesedi 4 or Lesedi 6 including gas that may otherwise be flared. Kala will have an exclusive right to develop, operate, and expand high-density computational activities at Lesedi for an initial five-year period, with an option to integrate solar infrastructure to supplement the facility's gas-based power supply.

Kala will supply, operate and maintain the facility and Tlou will provide gas to power the project.

Under the agreement, Kala will provide funding to develop the data centre including costs of drilling gas wells and infrastructure and equipment installation. This funding will be structured as an interest-free loan that Tlou will repay from profits generated from the facility. Initially, Tlou will receive 25% of the profits, while the remaining 75% will go toward repaying Kala's investment. Once the loan amount has been fully repaid, project profits will be split equally (50/50) between Tlou and Kala ensuring long-term shared financial benefits for both parties.



Example of a modular data centre facility

Government brief on power supply challenges

A parliamentary statement during the quarter highlighted ongoing power issues in Botswana including the exceptionally high cost of importing power and using diesel fired generation. In addition, the report shows the detrimental impact this is having on the finances of Botswana Power Corporation (BPC), and the Company will work with BPC to ensure that this does not impact Tlou's 10MW project.

Tlou's Lesedi project could alleviate some of the power issues in country and the Company will liaise with BPC and the Government to facilitate expansion as quickly as possible with their support.

Project Licences

Project Area	Licence Type	Ref	Expiry	Status
Lesedi	Mining	ML2017/18L	Aug-42	Current
Lesedi	Prospecting	PL001/2004	Mar-26	Current
Lesedi	Prospecting	PL003/2004	Mar-26	Current
Lesedi	Prospecting	PL035/2000	Mar-25	Awaiting renewal confirmation.
Lesedi	Prospecting	PL037/2000	Mar-25	Awaiting renewal confirmation.
Mamba	Prospecting	PL237/2014	Dec-25	Current
Mamba	Prospecting	PL238/2014	Dec-25	Current
Mamba	Prospecting	PL239/2014	Dec-25	Current
Mamba	Prospecting	PL240/2014	Dec-25	Current
Mamba	Prospecting	PL241/2014	Mar-26	Current
Boomslang	Prospecting	PL011/2019	Jun-26	Current

PL renewal applications are submitted three months prior to expiration with renewal generally received after expiry of the relevant licence.

The Lesedi, Mamba and Boomslang prospecting licence areas are in the exploration and evaluation phase with further operations required before a decision is made to proceed with further development or to relinquish the licences. In the event of successful results at Mamba or Boomslang it is envisioned that these areas would be developed as separate individual projects.

Cash Position

At the end of the quarter the Company had ~A\$163k cash on hand (unaudited). Unused financing facilities available at quarter end were A\$2.53m. The aggregate value of payments to related parties and their associates of A\$91k for the quarter (shown in item 6.1 of the Quarterly Cashflow Report) relates to directors' salaries and fees including tax and superannuation payments made on their behalf.

By Authority of the Board of Directors

Mr. Anthony Gilby
Managing Director

For further information regarding this announcement please contact:

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About Tlou

Tlou is developing energy solutions in Sub-Saharan Africa through gas-fired power and ancillary projects such as high-density computational facilities. The Lesedi Gas-to-Power Project (“Lesedi”) in Botswana is the Company’s most advanced project. Tlou’s competitive advantages include the ability to drill cost effectively for gas, operational experience and Lesedi’s strategic location. All major government approvals have been achieved.

Forward-Looking Statements

This announcement may contain certain forward-looking statements. Actual results may differ materially from those projected or implied in any forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results. No representation is made that any of those statements or forecasts will come to pass or that any forecast results will be achieved. You are cautioned not to place any reliance on such statements or forecasts. Those forward-looking and other statements speak only as at the date of this announcement. Save as required by any applicable law or regulation, Tlou Energy Limited undertakes no obligation to update any forward-looking statements.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Tlou Energy Limited

ABN

79 136 739 967

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(162)	(593)
(e) administration and corporate costs	(238)	(1,238)
1.3 Dividends received (see note 3)		
1.4 Interest received		2
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(400)	(1,829)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(29)	(62)
(d) exploration & evaluation	(505)	(3,504)
(e) investments		
(f) other non-current assets		

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(534)	(3,566)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		996
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	570	1,990
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		(11)
3.10	Net cash from / (used in) financing activities	570	2,975

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	499	2,517
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(400)	(1,829)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(534)	(3,566)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	570	2,975

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	28	66
4.6	Cash and cash equivalents at end of period	163	163

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	163	499
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	163	499

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	91
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	5,000	2,470
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	5,000	2,470
7.5	Unused financing facilities available at quarter end		2,530
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>ILC BC Pty Ltd (the "Financier") has provided an unsecured loan facility that enables Tlou Energy Limited (the "Borrower") to seek advances from time to time from the Financier up to a maximum amount of A\$5 million or such higher amount as the Financier might in future agree in writing. Interest is charged at 10% per annum on amounts drawn down. The loan is repayable 10 Business Days after the Financier requests payment of all outstanding amounts from the Borrower or when the Borrower elects to repay the Financier all outstanding amounts.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	400
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	505
8.3	Total relevant outgoings (item 8.1 + item 8.2)	905
8.4	Cash and cash equivalents at quarter end (item 4.6)	163
8.5	Unused finance facilities available at quarter end (item 7.5)	2,530
8.6	Total available funding (item 8.4 + item 8.5)	2,693
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.0
	<p><i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i></p>	
8.8	<p>If item 8.7 is less than 2 quarters, please provide answers to the following questions:</p> <p>8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?</p> <p>Answer:</p> <p>8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?</p> <p>Answer:</p>	

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:28/04/2025.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.