

16 July 2020

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

Entitlement Offer Closes

Tlou Energy Limited is an ASX, AIM and BSE listed company focused on generating cleaner power in Botswana for supply into the local and regional power markets. The Company announced a Non-Renounceable Entitlement Offer ("Entitlement Offer") on 15 June 2020.

Key Points:

- **Tlou's Entitlement Offer to raise approximately A\$3.0 million (~£1.65 million, ~BWP 24 million) has closed.**
- **Total applications of approximately A\$2.75 million (~£1.51 million, ~BWP 22 million) have been received.**
- **All remaining shares under the Entitlement Offer are expected to be placed by the Company to raise an additional ~A\$0.25 million (~£0.14 million, BWP 2 million).**
- **Following the success of the Entitlement Offer, Tlou plans to complete the detailed design of the proposed transmission line and progress development finance options for its Lesedi power project.**

The Entitlement Offer has closed with applications totaling approximately A\$2.75 million (~£1.51 million, ~BWP 22 million) before costs. The Entitlement Offer was supported by shareholders on the ASX, AIM and BSE.

The Company's Managing Director, Tony Gilby said *"This is a fantastic result for the Company. To raise these funds and have this level of support even with the issues affecting markets worldwide is remarkable.*

The funds raised will allow the Company to complete the detailed design of the proposed transmission line and progress development funding options.

The Company wishes to thank shareholders for their strong support of the Company's future plans and the continued development of the Lesedi power project."

Under the Entitlement Offer, existing eligible shareholders were invited to subscribe for 1 New Share for every 6 ordinary shares held on the record date at an offer price of A\$0.04 (£0.022, BWP0.32) per New Share to raise approximately A\$3.0 million (~£1.65 million, ~BWP 24 million) through the issue of

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up to 75,029,817 New Shares. In addition to Entitlement Offer Shares, participants will be granted one unlisted option for every two entitlement shares allotted (“New Options”). New Options will be valid for two years and exercisable at any time prior to expiry at a price of A\$0.08 per share. The Entitlement Offer closed on Monday, 13 July 2020.

Applications were received from eligible shareholders totaling ~A\$1.87 million (~£1.03 million, ~BWP 15 million) with a further ~A\$0.88 million (~£0.48 million, ~BWP 7 million) of applications from certain sub-underwriters (including Directors under their sub-underwriting arrangements, the details of which were contained in the Offer Booklet). In total, applications for ~A\$2.75 million (~£1.51 million, ~BWP 22 million) have been received, leaving approximately A\$0.25 million (~£0.14 million, BWP 2 million) which is able to be placed by the Company as outlined in the Offer Booklet.

It is the responsibility of applicants under the Entitlement Offer to confirm the number of New Shares allocated to them prior to trading in New Shares. Applicants who sell New Shares before they receive notice of the number of New Shares allocated to them, do so at their own risk.

The New Shares (excluding those shares subscribed for by Directors in excess of their entitlement which are set out below) will be issued and allotted on or around Monday 20 July 2020, with holding statements to be dispatched on Tuesday 21 July 2020.

The Company is now in the process of seeking places for remaining shares under the Entitlement Offer to raise an additional ~A\$0.25 million (~£0.14 million, BWP 2 million). Further updates with regard to the placing of the shortfall will be made in due course.

Directors’ Holdings

The following directors have subscribed for shares under the Open Offer as set out below:

Director	Role	Number of shares held prior to the open offer*	Number of Offer Shares to be subscribed for as pro-rata entitlement / sub-underwriting	Excess Applications (conditional on shareholder approval)	Resultant holding	Percentage of Company’s voting rights **
Anthony Gilby	Chief Executive Officer	21,989,580	4,725,564	7,774,436	34,489,580	6.65%
Colm Cloonan	Finance Director	1,181,112	316,570	433,430	1,931,112	0.37%
Gabaake Gabaake	Non-Executive Director	330,857	55,142	-	385,999	0.07%
Hugh Swire	Non-Executive Director	4,560,092	1,786,718	3,714,112	10,060,922	1.94%

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

** On the basis of issue of 68,668,854 New Shares.

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In line with ASX requirements, additional shares (in excess of their entitlement or sub-underwriting) applied for by Directors of the Company will require shareholder approval prior to being issued. The Company will announce details of a general meeting to approve the issue of these 11,921,978 shares shortly.

Total Voting Rights

Application will be made for the 56,746,876 new ordinary shares to be admitted to trading on AIM with admission expected to take place on, or around 21 July 2020.

Following admission, the Company's enlarged share capital will comprise 506,927,061 Ordinary Shares. There are no shares held in Treasury. Therefore, the total number of Ordinary Shares with voting rights is 506,927,061. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

By Authority of the Board of Directors

Mr. Anthony Gilby
Managing Director

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Company Information

Tlou Energy is focused on delivering Power solutions to Botswana and southern Africa to alleviate some of the chronic power shortage in the region. Tlou is currently developing projects using gas and plans to combine this with solar power to provide a cleaner base load power source.

Botswana has a significant energy shortage and generally relies on imported power and diesel generation to fulfil its power requirements. Tlou's Lesedi Power Project provides investors with access to a compelling opportunity to displace expensive, carbon intensive diesel and imported coal-fired electricity with a cleaner and more environmentally friendly alternative.

In addition to plans for cleaner energy, the Company is also committed to developing community projects in Botswana adding real value to peoples' lives in a region with sparse services and where few opportunities exist for the local population. This includes work to assist communities to become self-sustaining, develop business opportunities, improve access to education and create opportunities for self-employment and wealth creation.

The Company is listed on the Australian Securities Exchange, London's AIM market and the Botswana Stock Exchange and is led by an experienced Board, management and advisory team.

The project is significantly de-risked. The Company produced its first gas in 2014, has a Mining (or development) Licence valid to 2042 and 10 Prospecting (or exploration) Licences. The Company's project acreage covers a vast area spanning approximately 9,300 Km² in total.

Tlou's 'Lesedi' and 'Mamba' projects already benefit from significant independently certified 2P gas Reserves of ~41 Billion Cubic Feet (BCF). In addition, 3P gas Reserves of ~427 BCF and Contingent Gas Resources of ~3,043 BCF provide significant additional potential.

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The Company is planning an initial scalable power project. Following successful implementation of this first scalable project, the Company looks forward to evaluating longer-term prospects for the delivery of additional electricity to Botswana and to neighbouring countries.

Forward-Looking Statements

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

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