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

Downstream Environmental Impact Statement Approved

Tlou Energy Limited is pleased to announce that Botswana’s Department of Environmental Affairs ("DEA") has approved the Environmental Impact Statement ("EIS") for up to 20MW Coal Bed Methane ("CBM") Power Generation, a 66kV Transmission Line to Serowe and a Solar Farm up to 20MW.

Highlights
- Downstream EIS approval is a major achievement as it is the final environmental authorisation required to move the Lesedi CBM Project through to commercialisation;
- The EIS is for all the specified project activities in the Company’s application and is valid for 30 years;
- The approval provides the Company the flexibility to rapidly expand to 20MW of CBM generation and provides additional approval for a Solar Farm of up to 20MW;
- Upstream EIS approval is already in place.

Tlou’s Managing Director, Mr Tony Gilby commented, “We welcome another milestone which further de-risks the Lesedi Project. The granting of the downstream EIS is great news for the Company as it gives the final environmental authorisation for the initial proposed development of up to 10MW of power generation and allows for a further 10MW of CBM power generation. This gives the Company the option to rapidly expand to 20MW. The effort put in by our team and the independent environmental consultants, Ecosurv, has been exceptional and I would like to thank them for their hard work, which has led to this excellent result.”

Downstream Environmental Impact Statement
In 2018 the Company commenced work on its application for an EIS for downstream development (power generation and transmission). The EIS addresses the social and environmental context of the area surrounding the planned development of the Lesedi project which includes CBM power generation (up to 20MW), a 66kV transmission line to Serowe and a Solar Farm (up to 20MW). The Company already has approval in place for its upstream activities (development drilling and exploration).

The DEA approval confirms the EIS for the Company’s proposed downstream development adequately identifies and effectively mitigates the anticipated impacts associated with the proposed activity. The EIS authorisation is valid for thirty (30) years and may be subject to renewal at the end of this period.
EIS authorisation is another important project milestone which highlights the progress being made by the Company in its aim to deliver CBM power in Botswana and Southern Africa.

Key components of the Lesedi CBM Project’s proposed central processing and power generation facility can be seen in the figure below.

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.

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Company Information

Tlou Energy is focused on delivering Gas-to-Power solutions in Botswana and southern Africa to alleviate some of the chronic power shortage in the region. Tlou is developing projects using coal bed methane (CBM) natural gas. Botswana has a significant energy shortage and generally relies on imported power and diesel generation to fulfil its power requirements. As 100% owner of the most advanced gas project in the country, the Lesedi CBM Project, Tlou Energy provides investors with access to a compelling opportunity using domestic gas to produce power and displace expensive diesel and imported power.

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 including individuals with successful track records in the CBM industry.

Since establishment, the Company has significantly de-risked the project in consideration of its goal to become a significant gas-to-power producer. The Company flared its first gas in 2014 and has a 100% interest over its Mining Licence and ten Prospecting Licences covering an area of ~9,300 Km² in total. The Lesedi and Mamba Projects already benefit from significant independently certified 2P gas Reserves of ~41 BCF. In addition, 3P gas Reserves of ~427 BCF and Contingent Gas Resources of ~3,043 BCF provide significant additional potential.

The Company is planning an initial scalable gas-to-power project. Following successful implementation of this first scalable project, the Company looks forward to evaluating longer-term prospects for the delivery of electricity generated from CBM in Botswana to neighbouring countries.
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Map of TLOU Energy Limited's projects and operations in Botswana. The map highlights the following:

- 90MW Orapa Power Station
- Lesedi Project Permits
- Mamba Project
- Morupule Power Station
- Lesedi Project
- Boomslang Project
- Mining Licence Area
- Proposed Power Station Site

The map also shows the transmission network with existing and proposed connections, including:

- 400kV
- 220kV
- 132kV
- 66kV
- 33kV

The map is focused on areas such as Orapa, Lethaxane, Francistown, Serowe, Palapye, and other locations in Botswana and South Africa.