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ASX ANNOUNCEMENT

28 March 2017

Share Purchase Plan

On **24 March 2017**, Tlou Energy Limited ACN 136 739 967 ("**TOU**") announced the completion of a placement to institutional and sophisticated investors raising approximately A\$5.2 million ("**Placement**") and that TOU will be undertaking a Share Purchase Plan ("**SPP**").

Attached to this announcement are the following documents in relation to the SPP:

1. Chairman's letter to TOU shareholders;
2. Share Purchase Plan Terms and Conditions ("**Terms and Conditions**"); and
3. Share Purchase Plan Application Form ("**Application Form**").

The attached documents are in the process of being dispatched to TOU shareholders. Full details of the SPP are set out in the Terms and Conditions.

If you have any queries in relation to the SPP, please do not hesitate to contact Link Market Services Limited at any time from 8.30am (AEDT) to 5.00pm (AEDT) Monday to Friday on **1300 494 781** (within Australia) or **+61 1300 494 781** (from outside Australia).

Yours faithfully

SOLOMON ROWLAND
Company Secretary
Tlou Energy Limited

CHAIRMAN'S LETTER

28 March 2017

Dear Shareholder,

On behalf of the Board of Directors of Tlou Energy Limited ("**TOU**"), I am pleased to offer eligible TOU shareholders an opportunity to participate in the Share Purchase Plan ("**SPP**") announced on 24 March 2017. The SPP allows eligible TOU shareholders to purchase from A\$1,000 up to A\$15,000 worth of new ordinary shares in TOU ("**SPP Shares**") (subject to any scale back at TOU's absolute discretion) without brokerage or transaction costs.

TOU recently conducted a placement of ordinary shares to institutional and professional investors, raising approximately A\$5.2 million ("**Placement**").

The purpose of the SPP is to provide eligible TOU shareholders with the opportunity to acquire additional TOU ordinary shares at the Placement price of A\$0.10 per Share, without brokerage or other transaction costs. The capital raised under the Placement and the SPP will be predominantly applied to further appraisal work at TOU's Lesedi project to expand the Company's independently certified gas Reserves, completing various studies required for the submission of a mining lease application and tender for the Botswana Government's 100 megawatt CBM pilot power project, offer costs and working capital.

The SPP will be available to eligible shareholders who are on TOU's Australian register at **7:00pm (AEDT) on 24 March 2017** ("**Record Date**"), having a registered address in either Australia, New Zealand or United Kingdom.

The SPP will close on **21 April 2017** at 5:00pm (AEDT) ("**Closing Date**"). If you wish to participate in the SPP your application and funds must be received by the Closing Date. TOU reserves its rights to change any of the key dates in its absolute discretion.

Full details of the SPP are set out in the attached Terms and Conditions and Application Form. I encourage you to read the SPP Offer Document carefully and obtain professional financial and/or taxation advice to assist you before making a decision on whether to participate in the SPP.

If you have any questions please call Link Market Services Limited at any time from 8.30am (AEDT) to 5.00pm (AEDT) Monday to Friday on **1300 494 781** (within Australia) and **+61 1300 494 781** (from outside Australia).

On behalf of the Board, I thank you for your continued support as a TOU shareholder.

Martin McIver, Chairman

Tlou Energy Limited

No offer to persons in the United States

The securities referred to in this document have not and will not be registered under the United States Securities Act of 1933 ("**Securities Act**"), as amended, and may not be offered or sold in the United States or to or for the account or benefit of US persons (as defined in the Regulation S under the Securities Act), in the absence of registration or an available exemption from registration. This document has been prepared for publication in Australia, New Zealand and the United Kingdom (or such other jurisdictions as determined by TOU) only and may not be released elsewhere.

TLOU ENERGY LIMITED

SHARE PURCHASE PLAN TERM AND CONDITIONS

Milestone	Eligible Shareholders
Issue Price	A\$0.10
Application Amounts	Any amount divisible by the Issue Price, from A\$1,000 up to A\$15,000
Record Date The date and time on which TOU determines who is eligible to participate in the SPP	7.00pm (AEDT) on 24 March 2017
Opening Date The date on which the SPP Offer opens	28 March 2017
Closing Date The SPP Offer closes at, and applications and payment must be received by, this time and date	5.00pm (AEDT) on 21 April 2017
Scale back announcement Any Scale back will be announced	24 April 2017
Allotment Date The date on which SPP Shares under the SPP are allotted	27 April 2017
Trading Date The date on which SPP Shares issued under the SPP are expected to begin trading	27 April 2017
Dispatch Date Transaction confirmations/holding statements will be sent to shareholders on or around this date	28 April 2017

IMPORTANT NOTICES:

If you apply to participate in the SPP you are accepting the risk that the market price of Shares may change between the date on which you apply for Shares under the SPP and the Allotment Date. This means it is possible that, up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Issue Price under the SPP.

If the total value of applications under the SPP is more than A\$2 million, TOU has the discretion to reduce the allotment of its Shares compared to the parcels applied for ("Scale back"). If there is a Scale back, you may receive less than the parcel of shares you applied for and may receive less than a marketable parcel of shares. If your application is scaled back, you may receive a refund but you will not be entitled to any interest on that refund.

This document is not a prospectus or offer disclosure document under the Corporations Act 2001 (Cth). No action has been taken to permit the offer of SPP Shares under this document in any jurisdiction other than Australia, United Kingdom or New Zealand. The SPP Offer is only being made to eligible shareholders who hold their shares on the Australian Register of Shareholders of TOU with a registered address in Australia, New Zealand or United Kingdom (or such other jurisdictions TOU in its absolute discretion determines may participate in the SPP). The SPP Offer is not being made to holders of Depository Interests.

Defined terms used in these Terms and Conditions, unless defined herein, are set out in the Glossary in clause 24.

1. Eligible Shareholders

- (a) Subject to clauses 1(b) to 1(k) inclusive, you are eligible to participate in the SPP Offer (an "**Eligible Shareholder**") if your registered address as recorded in the Australian register of Shareholders of Tlou Energy Limited (ABN 79 136 739 967) ("**TOU**") is in Australia, New Zealand or the United Kingdom (or such other jurisdictions TOU in its absolute discretion determines may participate in the SPP) ("**Approved Jurisdictions**") as at 7.00pm (AEDT) on the Record Date;
- (b) Shareholders who hold Shares on behalf of persons who reside outside Approved Jurisdictions or who are "US persons" (as defined in Regulation S under the US Securities Act of 1933, as amended) ("**US Persons**") or who act for the account or benefit of a US Person are not entitled to participate in the SPP.
- (c) TOU has determined that it is not practical for holders of Shares with addresses on the share register in jurisdictions other than Australia, New Zealand or the United Kingdom or holders of Depository Interests, to participate in the SPP Offer. TOU retains the discretion to extend the Offer outside the Approved Jurisdictions where TOU determines it is lawful and practicable for TOU to issue SPP Shares under the SPP Offer without providing additional disclosure.
- (d) Shareholders who are joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder, and the certification under clause 3 by one joint holder will be effective in respect of the other joint holder(s).
- (e) Where a custodian (as referred to in condition 9 of ASIC Class Order 09/425) is a registered holder of Shares, and is expressly noted on the Share Register of TOU as holding shares on behalf of one or more persons ("**Beneficiaries**"), the SPP Offer is made to the custodian and the custodian has the discretion whether to extend the SPP Offer to the Beneficiaries. If a custodian applies for Shares on behalf of a Beneficiary under the SPP ("**SPP Shares**"), TOU will not issue SPP Shares unless the custodian certifies the following in writing to TOU:

- (i) either or both of the following:
 - A. that the custodian holds the Shares on behalf of one or more persons ("**Participating Beneficiaries**") that are not custodians; or
 - B. that another custodian ("**Downstream Custodian**") holds beneficial interests in Shares on behalf of a Participating Beneficiary, and the custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another custodian,

on the Record Date and that each Participating Beneficiary has subsequently instructed the following persons:
 - C. where sub-paragraph 1(d)(i)(A) applies - the Custodian; and
 - D. where sub-paragraph 1(d)(i)(B) applies - the Downstream Custodian,

to apply for SPP Shares on their behalf;
- (ii) the number of Participating Beneficiaries;
- (iii) the name and address of each Participating Beneficiary, and that each Participating Beneficiary's address is located in Australia, New Zealand or the United Kingdom (or such other jurisdictions as determined by TOU);
- (iv) in respect of each Participating Beneficiary:
 - A. where sub-paragraph 1(d)(i)(A) applies - the number of Shares that the custodian holds on their behalf; and
 - B. where sub-paragraph 1(d)(i)(B) applies - the number of Shares to which the beneficial interests relate;
- (v) in respect of each Participating Beneficiary:
 - A. where sub-paragraph 1(d)(i)(A) applies - the number or the dollar amount of Shares they instructed the custodian to apply for on their behalf; and
 - B. where sub-paragraph 1(d)(i)(B) applies - the number or the dollar amount of Shares they instructed the Downstream Custodian to apply for on their behalf;
- (vi) there are no Participating Beneficiaries in respect of which the total of the

application price for the following exceeds A\$15,000:

- A. the Shares applied for by the custodian under the SPP in accordance with the instructions referred to in sub-paragraph (v); and
 - B. any other Shares issued to the custodian in the 12 months before the application as a result of an instruction given by them to the custodian or the Downstream Custodian to apply for Shares on their behalf under an arrangement similar to the SPP;
- (vii) that a copy of this SPP Offer Document was given to each Participating Beneficiary; and
- (viii) where sub-paragraph 1(d)(i)(B) applies - the name and address of each custodian who holds beneficial interests in the Shares held by the custodian in relation to each Participating Beneficiary.
- (f) Custodians must request a "**Custodian Certificate**" when making an application on behalf of Beneficiaries. To request a Custodian Certificate or further information about the custodian application process, a Shareholder should call *Link Market Services Limited* ("**Share Registry**") at any time from 8.30am to 5.00pm (AEDT) Monday to Friday on **1300 494 781** (within Australia) and **+61 1300 494 781** (outside Australia).
- (g) Applications received from custodians must be accompanied by a duly completed and signed Custodian Certificate.
- (h) A person that holds Shares as a trustee or nominee for another person, but is not a Custodian (as defined in ASIC Class Order [CO 09/425]) cannot participate for beneficiaries in the manner described in clause 1(e). In this case, the rules in clause 2(b) apply.
- (i) A registered holder of Shares will be ineligible to participate in the SPP if their participation would be in breach of ASIC Class Order 09/425 or any other law.
- (j) If you are an Eligible Shareholder, your rights under this offer are personal to you and are non-renounceable, which means you cannot transfer your rights to another person.

2. Applying for Shares

- (a) Participation in the SPP is optional. Eligible Shareholders may apply to purchase a parcel of SPP Shares with a value of any amount divisible by the Issue Price, from A\$1,000 up to A\$15,000. Fractions will be rounded down, and the difference (being any amount less

than the Issue Price) may be retained by TOU.
For example:

Option	A\$ Value of SPP Shares	No. of Shares (subject to scale back)
1.	\$2,000	20,000
2.	\$5,000	50,000
3.	\$10,000	100,000
4.	\$15,000	150,000

- (b) Eligible Shareholders that receive more than one Application Form under the SPP (for example, if the Eligible Shareholder has more than one shareholding but under separate accounts) may apply on different Application Forms but may not make an Application which will result in the Eligible Shareholder applying for more than the maximum parcel of Shares under the SPP, being A\$15,000.
- (c) If you are an Eligible Shareholder and wish to participate in the SPP, you have two options.

Option 1: BPAY

Provided you are not a custodian (see clause 1(e) above under the heading "Eligible Shareholders"), you can make a payment by BPAY if you have an Australian bank account enabled for this purpose. If paying by BPAY, you do not need to return your Application Form.

BPAY customers must use the unique customer reference number shown on the Application Form which is required to identify your holding.

By using the BPAY facility to apply for SPP Shares, you represent that the total of the application price for the following does not exceed A\$15,000:

- (i) the SPP Shares you are applying for;
- (ii) any other Shares you are applying for under this SPP, or Shares or interests in the class issued under a similar arrangement in the 12 months before this application;
- (iii) any other Shares or interests in the class which you have instructed a custodian to acquire on your behalf under this SPP; and
- (iv) any other Shares or interests in the class issued to a custodian under an arrangement similar to this SPP in the 12 months before this application as a result of you instructing the custodian or another custodian, which resulted in you holding a beneficial interest in the Shares or interests.

Payment by BPAY may not be processed and may not be valid if it has not been received by

5.00pm (AEDT) on the Closing Date. If making payment by BPAY, please check your daily transaction limit and the processing cut-off time for BPAY with your financial institution.

Option 2: Application Form and cheque or money order

You must complete an Application Form and return it with a cheque or money order in accordance with the instructions on the Application Form. Cheques and money orders must be payable to "Tlou Energy Limited", in Australian dollars and drawn on an Australian bank for the correct amount.

- (d) Do not forward cash. Receipt for payment will not be issued.
- (e) If you make a payment by BPAY, cheque or money order and TOU receives an amount which is not equal to the amount of a parcel set out in clause 2(a) above, TOU will round down the value of SPP Shares which you are applying for to the next lowest parcel, or if TOU receives less than the minimum parcel of SPP Shares set out in clause 2(a) above, reject your application, and refund any application monies which are not used to purchase SPP Shares, without interest, following allotment.
- (f) If you apply for SPP Shares under the SPP, you will apply for a certain value, rather than a certain number, of SPP Shares. Subject to clauses 2(g), 2(h) and 6, TOU will divide the parcel value you are applying for by the Issue Price in order to determine the number of SPP Shares which you have applied for (rounded down to the nearest whole number of SPP Shares).
- (g) Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold SPP Shares in more than one capacity or in different registered holdings) may apply on different Application Forms for Shares but may not apply for Shares with an aggregate value of more than A\$15,000.
- (h) TOU may accept or reject your application for SPP Shares in its absolute discretion. TOU may reject your application in the following circumstances (among others):
 - (i) your Application Form is incorrectly completed, incomplete or otherwise determined by TOU to be invalid;
 - (ii) you have applied for less than the minimum parcel of SPP Shares set out in clause 2(a) above;
 - (iii) your cheque is dishonoured;
 - (iv) the cheque or money order that you enclose with your Application Form is not made out for the amount corresponding to the amount of SPP

Shares you have selected to purchase;

- (v) TOU believes that you are applying either directly or indirectly (such as through a trust) to buy more than an aggregate of A\$15,000 of SPP Shares;
- (vi) TOU believes that you and one or more registered holders of the same or similar name or address are applying to buy more than an aggregate of A\$15,000 of SPP Shares;
- (vii) your Application Form or BPAY payment is received after the Closing Date or is otherwise incomplete or invalid. Late payments will be refunded (without interest);
- (viii) TOU believes that your participation in the SPP would be in breach of ASIC Class Order 09/425 or any other law;
- (ix) TOU believes that your application is completed by a person within, or a person acting for the account or benefit of a person within, another jurisdiction where, in the reasonable opinion of the Board, it would be unlawful or impractical for TOU to issue the SPP Shares;
- (x) if you are a custodian, TOU is not satisfied with your Custodian Certificate for any reason;
- (xi) TOU believes you are not an Eligible Shareholder (subject to compliance with any applicable ASIC or ASX requirements); or
- (xii) your name is not recorded on the register of members of TOU on the Record Date. For example, applications by people claiming an interest through a registered holder of Shares will not be accepted if the registered holder of Shares is not noted on the register of members as holding the Shares on account of another person.

3. Effect of Making an Application

If you submit a BPAY payment or complete and return an Application Form or Custodian Certificate, you certify, acknowledge, warrant and represent to TOU that:

- (a) you are an Eligible Shareholder;
- (b) you have read and irrevocably and unconditionally agree to these Terms and Conditions and the terms of the Application Form and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of the SPP;
- (c) the market price of SPP Shares may rise or fall between the date of this offer and the date the Shares are allotted to you under the SPP (the "Allotment Date") and that the Issue Price you pay for the SPP Shares may exceed the market price of the SPP Shares on the Allotment Date; and
- (d) all details and statements in your application are true and complete and not misleading;
- (e) your application for SPP Shares cannot be withdrawn by you;
- (f) you certify that the total of the application price for the following does not exceed A\$15,000:
 - (i) the SPP Shares the subject of your application;
 - (ii) any other SPP Shares or any similar arrangement in the 12 months before the date of your application;
 - (iii) any other Shares which you have instructed a custodian to acquire on your behalf under the SPP; and
 - (iv) any other Shares issued to a custodian under an arrangement similar to the SPP in the 12 months before the date of your application for SPP Shares as a result of an instruction given by you to the custodian or another custodian and which resulted in you holding beneficial interests in such Shares, even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP;
- (g) you are lawfully permitted to accept the offer under the SPP and participate in the SPP in accordance with these Terms and Conditions;
- (h) if you are a custodian and are applying for SPP Shares with a total application price exceeding A\$15,000, you agree to certify to TOU in writing the matters required by ASIC Class Order 09/425 condition 9, in accordance with the Custodian Certificate, a copy of which can be obtained from the Share Registry;
- (i) your application is only effective when received by us and not when posted;
- (j) if there is a rounding down of the number of SPP Shares and no Scale back, any remaining balance of your payment after your allotment will form part of the assets of TOU and will not be refunded;
- (k) you authorise TOU to correct minor errors in your Application Form and to complete the Application Form by inserting any missing minor detail;
- (l) TOU may determine (in its absolute discretion) that your Application Form is valid, in accordance with these Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (m) you accept the risk associated with any refund that may be dispatched to you to your address or nominated bank account as shown on TOU's register;
- (n) you are responsible for any dishonour fees or other costs TOU may incur in presenting a cheque for payment which is dishonoured;
- (o) no interest will be paid on any application monies held pending the allotment of the SPP Shares or subsequently returned to you for any reason;
- (p) you have not been provided with investment advice or financial product advice by TOU or the Share Registry and that neither of them has any obligation to provide this advice in relation to your consideration as to whether or not to purchase SPP Shares;
- (q) the SPP Shares have not, and will not be, registered under the US Securities Act or the securities law of any state or other jurisdiction of the United States. Accordingly, the Shares may not be offered or sold in the United States except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable US state securities laws;
- (r) you and each person for whose account or benefit you are acting is not in the United States and is not a US Person, or acting for the account or benefit of a US Person;
- (s) you have not, and you agree that you will not, send any materials relating to the SPP to any person in the United States or that is or is acting for the account or benefit of a US Person;
- (t) you have not, and you agree that you will not, submit an Application Form or make payment by BPAY for any person resident in the United States or elsewhere outside Australia, New Zealand or the United Kingdom (or such other jurisdictions as determined by TOU in its absolute discretion) or who is, or is acting for the account or benefit of, a US Person; and
- (u) your application does not constitute a breach of the relevant securities laws in your jurisdiction, you will comply with all applicable foreign securities laws and acknowledge that failure to comply may result in violations of applicable securities laws;

- (v) you agree to be bound by the Constitution of TOU; and
- (w) TOU is not liable for any loss, cost, expense, liability or damage arising in connection with the exercise of its discretions referred to in these Terms and Conditions.

4. Issue Price of Shares under the SPP

- (a) The issue price per SPP Share ("**Issue Price**") on offer under the SPP will be A\$0.10 per share ("**Issue Price**"), which represents a discount of approximately 12% to the volume weighted average price (VWAP) of Shares over the 10 day trading period ending on 23 March 2017.
- (b) The current Share price can be obtained from the ASX website (www.asx.com.au) by entering the share code "TOU".
- (c) You agree to pay the Issue Price per Share for the number of SPP Shares calculated under clause 2(f) or, if there is a Scale back (see clause 6), the number of Shares calculated under clause 6.

5. The SPP Shares

- (a) SPP Shares issued under the SPP will rank equally in all respects with existing Shares quoted on the ASX, with the same voting rights, dividend rights and other entitlements.
- (b) The number of SPP Shares you will receive will be determined by:
 - (i) if there is no Scale back (see clause 6) applied to your allotment, dividing the amount you agree to contribute for SPP Shares (as determined in accordance with clause 2(e)) by the Issue Price; or
 - (ii) if there is a Scale back (see clause 6) applied to your allotment, dividing the amount you agree to contribute for SPP Shares (as determined in accordance with clause 2(e)) by the Issue Price.
- (c) If the calculation in clause 5(b) above produces a fractional number, the number of SPP Shares you will be allotted will be rounded down to the nearest whole number of SPP Shares and:
 - (i) if there is no Scale back (see clause 6) applied to your allotment, any residual balance will form part of the assets of TOU. You will not receive a refund of this amount, which will always be less than the price of one SPP Share; or
 - (ii) if there is a Scale back (see clause 6) applied to your allotment, the residual balance from rounding down will be added to the refund you receive from the Scale back.

6. Scale back

- (a) If the total value of applications for SPP Shares under the SPP is more than A\$2 million, TOU may, in its absolute discretion, undertake a Scale back to the extent and in the manner that it sees fit. A "**Scale back**" is a reduction in the allotments of SPP Shares (compared to parcels applied for) that TOU will issue if it receives applications under the SPP for more SPP Shares than it wishes to issue.
- (b) If there is a Scale back, you may receive less than the parcel of SPP Shares for which you have applied. If a Scale back produces a fractional number of SPP Shares when applied to your parcel, the number of SPP Shares you will be allocated will be rounded down to the nearest whole number of SPP Shares.
- (c) In the event of a Scale back the difference between the application monies received, and the number of SPP Shares allocated to you multiplied by the Issue Price, will be refunded to you as soon as practicable.
- (d) Any application monies refunded by TOU will be paid by cheque or direct credit (the payment method will be determined by TOU in its absolute discretion) in Australian currency or British pounds, whichever is applicable, without interest. By applying for SPP Shares, each Shareholder authorises TOU to pay any monies to be refunded by using the payment instructions of the Shareholder recorded in TOU's Share Registry if TOU should elect to pay in this manner.

7. Costs of Participation

TOU will not charge any brokerage, commissions or other transaction costs in respect of the application for, and allotment of, Shares under the SPP.

8. Proposed Timetable

- (a) Subject to clause 8(b) the timetable for the SPP Offer is as set out in the Terms and Conditions in the table on page 3.
- (b) TOU may vary any of the proposed dates in clause 8(a) in its absolute discretion (even if the SPP Offer has been opened, or BPAY or Application Forms have been received) by lodging a revised timetable with ASX.

9. Placement of Shortfall

The Directors may, in their sole discretion, offer any SPP Shortfall Shares to any investors, including Shareholders, to whom disclosure is not required to be made under s708 of the *Corporations Act 2001* (Cth) as a separate placement.

If you are a Sophisticated Investor or a Professional Investor as defined by s708 of the *Corporations Act 2001* (Cth) and you wish to apply for SPP Shortfall Shares, then please

contact Solomon Rowland using the contact details below:

Phone: 07 3012 9793

Email: Solomon.Rowland@tlouenergy.com

Mail: 210 Alice St, Brisbane, QLD 4000

10. Quotation

TOU will apply for SPP Shares issued under the SPP to be quoted on the ASX, within the period prescribed by the relevant exchanges' rules.

11. Eligible Shareholders

TOU participates in the Clearing House Electronic Sub-register System, known as CHESS (operated by ASX Settlement Pty Ltd (a wholly owned subsidiary of ASX)) ("ASXS"), in accordance with the ASX Listing Rules and the ASXS Operating Rules. Under CHESS, you will not receive a certificate but will receive a statement of your holding of Shares. If you are broker sponsored, ASXS will send you a CHESS statement. The CHESS statement will set out the number of Shares issued under the Plan, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares. If you are registered on the Issuer Sponsored sub-register, your statement will be dispatched by Link Market Services Limited and will contain the number of SPP Shares issued to you under the Plan and your security holder reference number.

12. Dispute Resolution

TOU may settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP and the decision of TOU will be conclusive and binding on all participants and other persons to whom the determination relates.

The powers of TOU under these Terms and Conditions may be exercised by its Directors or any delegate or representative of the Directors.

13. Variation, Waiver and Withdrawal

TOU may, in its absolute discretion:

- (a) suspend or terminate the SPP at any time;
- (b) waive compliance with any provision of these Terms and Conditions either generally or in specific circumstances;
- (c) withdraw the SPP Offer at any time up to the Allotment Date; or
- (d) amend these Terms and Conditions and, where there is any uncertainty as to the operation of the SPP, make determinations about the operation of the SPP, either generally or in specific circumstances.

If TOU changes, suspends or terminates the SPP, it

will advise the ASX. Failure to notify Shareholders or DI Holders of a change to or termination of the SPP Offer or the non-receipt of notice will not invalidate the change or termination.

14. No Underwriting

The SPP will not be underwritten.

15. Governing Law

These Terms and Conditions are governed by the laws in force in Queensland, Australia.

16. ASIC Class Order 09/425

This SPP is offered in compliance with ASIC Class Order 09/425. ASIC Class Order 09/425 provides relief from the requirement for TOU to provide full prospectus disclosure in relation to the SPP.

17. Notice to New Zealand shareholders

- (a) The SPP Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of TOU with registered addresses in New Zealand to whom the offer of SPP Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).
- (b) This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

18. Notice to United Kingdom shareholders

- (a) This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.
- (b) Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the Shares 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) FSMA does not apply to TOU.
- (c) In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, 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.

- (d) Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services 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 the SPP Shares. This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the SPP Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA.

19. No offer outside approved jurisdictions

The SPP does not constitute an *offer* of SPP Shares for sale in any other jurisdiction in which such an offer would be unlawful.

20. Investment Risk

- (a) Investing in Shares in TOU should be considered a speculative investment, Shareholders should be aware that the market price of TOU's Shares can fluctuate, particularly in the case of TOU operating in the resources sector. Accordingly, the value of the SPP Shares applied for under the SPP may rise or fall.
- (b) Shareholders should note that the SPP Offer is not made under a prospectus or other disclosure document for the purposes of, and does not require the type of disclosures required under, the Corporations Act 2001 (Cth). Shareholders must rely on their own knowledge of TOU and previous disclosures made by TOU on the ASX.

21. Glossary

ASIC Australian Securities & Investments

Commission.

ASX ASX Limited ACN 008 624 691, and the Australian securities exchange it operates.

CHESS the Australian Clearing House Electronic Subregister System operated by ASX Settlement.

Class Order ASIC Class Order 09/425 (as it may be amended from time to time).

Closing Date the time and date at which the Offer expires, being 5.00pm AEDT on 21 April 2017 for eligible Shareholders on the Australian Register.

Custodian has the meaning given in the Class Order.

Eligible Shareholder has the meaning given to it in clause 1 of the Share Purchase Plan Terms and Conditions.

Issue Price will be A\$0.10 per Share.

Record Date being 7.00pm AEDT on 24 April 2017 for eligible Shareholders on the Australian Register.

Scale back TOU may, in its absolute discretion, allocate less than the number of SPP Shares that have been applied for under the SPP Offer.

Share Registry Link Market Services Limited ACN 083 214 537.

Shareholders ordinary shareholders of TOU.

Share or Shares fully paid ordinary share(s) in the issued capital of TOU.

SPP Share Purchase Plan announced on 24 April 2017.

SPP Offer the Offer to Eligible Shareholders under the SPP.

SPP Offer Document this document including any annexures and attachments to this document, such as the Terms and Conditions, the Application Form, the Chairman's letter and the ASX announcement.

SPP Shares the Share(s) offered under the SPP Offer.

SPP Shortfall Shares the SPP Shares not taken up by Eligible Shareholders under the SPP Offer, which then become available to be placed by the Directors at their sole discretion to Eligible Shareholders or investors, to whom disclosure is not required to be made under section 708 of the *Corporation Act 2001* (Cth).

TOU Tlou Energy Limited ACN 136 739 967 ABN 79 136 739 967.

ANNEXURE 1
APPLICATION FORM



TLOU ENERGY
ABN 79 136 739 967

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1300 554 474
From outside Australia: +61 1300 554 474
ASX Code: TOU
Website: www.linkmarketservices.com.au

SRN/HIN:
Entitlement Number:
Record Date: 24 March 2017
Offer Opens: 28 March 2017
Issue Price per Share: A\$0.10

Offer Closes 5.00pm (AEDT):	21 April 2017
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SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

How do I apply for Shares under this offer?

- Carefully read the SPP Terms and Conditions accompanying this form.
- Decide on the amount you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the Terms and Conditions Booklet and further important instructions on the reverse of this form.
 - Option 1: Paying by BPAY®.
 - Option 2: Paying by Cheque, Bank Draft or Money Order.
- Payments must be in Australian dollars.

PAYMENT OPTIONS

Option 1: Paying by BPAY®

If paying by BPAY®, you do **NOT** need to complete or return the Acceptance Slip attached to this Application Form below. Payment must be received by the Registry by BPAY® by 5.00pm (AEDT) on 21 April 2017. By paying by BPAY®, you will be deemed to have completed an Application Form for the number of Shares the subject of your Application Payment.

If you make a payment by BPAY® and Tlou Energy Limited receives an amount which is not between \$1,000 and \$15,000. Tlou Energy Limited will round down the number of Shares applied for to the maximum number of Shares you can apply for. Your payment must be for a minimum of \$1,000.



Biller Code: 384180
Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au
® Registered to BPAY Pty Ltd ABN 69 079 137 518

Option 2: Paying by Cheque, Bank Draft or Money Order

If paying by cheque, bank draft or money order, complete and return the Acceptance Slip attached to this Application Form with your Application Payment.

- Complete the number of Shares you wish to apply for at the Issue Price of A\$0.10 per Share.
- Enter your cheque, bank draft or money order details. The amount of your Application Payment should be equal to the number of shares applied for in section A of the Acceptance Slip multiplied by the Issue Price of A\$0.10 per Share. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Tlou Energy Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque, bank draft or money order for an amount that is not equal to your application amount Tlou Energy Limited will round down the number of Shares that you are applying for equal to your payment. Your payment must be for a minimum of \$1,000 and maximum of \$15,000.
- Enter your contact telephone number at which we may contact you regarding your application for Shares, if necessary.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.

Please detach and enclose with payment

SRN/HIN:
Entitlement Number:



A I/We wish to purchase the number of Shares in the box below

B Payment amount (Multiply the number in section A by A\$0.10)

A\$

C Make your cheque, bank draft or money order payable to "Tlou Energy Limited" and crossed "Not Negotiable"

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/> .00

D Telephone Number – Business Hours Telephone Number – After Hours Contact Name

<input type="text"/>	<input type="text"/>	<input type="text"/>
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IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase additional Shares under this SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you make the Application Payment by BPAY® or you submit your Acceptance Slip with your Application Payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] you must complete and submit an additional Schedule that contains additional certifications and details that must be provided ("the Schedule") before your Application will be received. The Schedule can be obtained by contacting the Tlou Energy Limited SPP Offer Information Line. Applications received by custodians that are not accompanied by the Schedule will be rejected.
6. For applicants that are not required to complete the Schedule, by submitting the Acceptance Slip (with a cheque, bank draft or money order) or making payment by BPAY®, you certify that the aggregate of the Application Payment paid by you for:
 - the parcel of New Shares indicated on this Application Form or BPAY® payment; and
 - any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip or payment by BPAY® does not exceed \$15,000.
7. Tlou Energy Limited reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied as Tlou Energy Limited may scaleback applications in its discretion.

How to Lodge your Acceptance Slip and Application Payment

A reply paid envelope is enclosed for you to return your Acceptance Slip and Application Payment. No postage stamp is required if it is posted in Australia.

Acceptance Slip and the payment for New Shares must be received by the Registry no later than the closing date shown overleaf. If paying by BPAY® you do not need to complete or return the Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Tlou Energy Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

or

Hand Delivery

Tlou Energy Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and Application Payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5.00pm (AEDT) on 21 April 2017. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Tlou Energy Limited reserves the right not to process any Acceptance Slips and Application Payments received after the Closing Date.

If you require information on how to complete this Acceptance Slip please contact the Tlou Energy Limited SPP Offer Information Line on 1300 494 781 if calling within Australia or +61 1300 494 781 if calling from outside of Australia.