

TLOU ENERGY LIMITED**10 April 2014**

Key points:

- **Tlou completes three core-hole drilling program in the Lesedi CBM project area;**
- **Gas desorption from the core samples are ongoing, with early trends in line with pre-drill expectations;**
- **The Lesedi and Selemo pilot pods are continuing to de-water.**

Note: All times quoted are referenced to Central African Time Zone (CAT) unless otherwise stated

2014 Core-hole Drilling Program Update

Tlou Energy Limited (“Tlou”) is pleased to announce that coring of D3-3X, the third and final core-hole of the three well coring program at the Lesedi CBM project area, was completed on 1st April 2014. After finalising wireline logging operations the rig was released from all coring operations marking completion of the current program.

The core-holes intersected well-developed coal sequences throughout the Serowe, Morupule and Kamotaka formations. Coal quality and thickness results are in-line with pre-drill expectations. A total of 80 coal gas desorption tests have been captured across the three core-holes. Samples will remain in gas desorption analysis for several weeks and will determine the gas content of the main target coal seam as well as other potential targets in surrounding coal seams. Early results for the Lower Morupule coal seam, the main target reservoir, are particularly encouraging. Once gas desorption testing has been completed, a series of additional tests will be conducted on the core such as isotherm testing and coal petrographic analysis.

Early results from the core-holes complement Tlou’s existing knowledge of the Lesedi CBM project area. The new core-hole data will assist with initial reserves certification in the Lesedi CBM project area and the identification of future drilling sites.

Lesedi and Selemo Pods

The Lesedi and Selemo pilot pods continue to de-water. Plans are on-track to upgrade the pumps to increase water lifting capacity in April.

TLOU ENERGY LIMITED**TLOU ENERGY LIMITED – KEY STATISTICS (as of 1 Jan'14)**

- ASX Code – TOU
- Shares on issue ~ 148 million
- Fully diluted ~ 164 million
- Cash balance (as at 31 Dec 2013) ~ \$13.5 million (AUD)
- Debt = Nil
- Primary Focus is the Lesedi CBM Project in Botswana

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