

TLOU ENERGY LIMITED



9 April 2015

Significant Upgrade of Contingent Resources

Key points:

- Significant independently certified Contingent Resource upgrade for Lesedi Project.
- First 1C and increase of 2C and 3C Contingent Resources by 57% and 42% respectively.
- Very positive development and reinforces Tlou Energy as the most advanced upstream gas company in Botswana.

Tlou Energy Limited (ASX:TOU) is pleased to announce that it has received a significant upgrade in Contingent Resources for its 100% owned Lesedi CBM Project (“**Lesedi Project**”) located in PL001/2004 and PL002/2004 in Botswana. The upgrade follows an independent review of the Lesedi Project by the certifier SRK Consulting (Australasia) Pty Ltd (“**SRK**”) of Brisbane, Australia.

The Lesedi Project Contingent Resources Certification received from SRK represents an independent certification that is based on geological, drilling and production data obtained to date, particularly since the Company’s ASX listing in April 2013.

SRK have attributed the increase in Contingent Resources (shown below in Table 1) to Tlou’s net equity interest (being 100% in the Lesedi Project) using the deterministic method to prepare the estimates of the Contingent Resources as at 8 April 2015.

Table 1: Lesedi Project Independent Resource Certification

TOU Net Equity Share	OGIP (BCF)			Gas Contingent Resource (BCF)		
	1C	2C	3C	1C	2C	3C
8 April 2015 certification	7.6	367.8	5,347.5	4.9	239.1	3,295.5
30 January 2013 certification	-	303.5	4,559.5	-	152.2	2,322.4
<i>Increase</i>	7.6	64.3	788.0	4.9	86.9	973.1
<i>Increase (%)</i>	<i>n/a</i>	21.2%	17.3%	<i>n/a</i>	57.1%	41.9%

TLOU ENERGY LIMITED



Notes to Table 1:

- Contingent Resource estimates have been prepared in accordance with the Society of Petroleum Engineers (“SPE”) 2007 Petroleum Resource Management System (“PRMS”) Guidelines as well as the 2011 Guidelines for Application of the PRMS approved by the SPE.
- Contingent Gas Resources are (100%) Unrisked Gross
- The previous assessment of Contingent Resources attributed to Tlou Energy’s Lesedi Project was dated 30 January 2013 and details of these were released to the market in the company’s replacement prospectus on 2 April 2013.
- NSAI the author of the report attributing contingent resources to Tlou Energy as at 30 January 2013 has consented to the reporting of these resource figures in the context and manner in which they appear in this announcement.
- OGIP means Original Gas in Place
- Listing Rule 5.25.3: No petroleum reserves have been attributed to Tlou Energy. Details of the prospective resources attributed to Tlou Energy appear in Table 2

Commenting on the announcement, Managing Director Tony Gilby said “this Contingent Resource upgrade represents a significant de-risking of the project and is a precursor to commercial reserves that are expected later in 2015 post additional successful production testing.”

An updated Contingent Resource area map (Map 2) for the Lesedi CBM Project is set out in the Appendix of this announcement.

A Contingent and Prospective Resource statement for all of Tlou’s tenements is shown in Table 2 below.

Table 2: Tlou Energy Net Gas Resources for all Tenements

TOU Net Equity Share							
Location	Project	Gas Contingent Resource (BCF)			Gas Prospective Resource (BCF)		
		1C	2C	3C	Low	Best	High
Karoo Basin, Botswana	Lesedi CBM Project (PL001/2004 and PL002/2004)	4.9	239.1	3,295.5	-		
Karoo Basin Botswana	PL 003/2004, PL 035/2000 PL 037/2000	-	-	-	644.1	3,239.0	8,596.1
Karoo Basin, Botswana	Mamba CBM Project	-	-	-	-	-	-

Notes to Table 2:

- ASX Listing Rule 5.28.2 Statement relating to Prospective Resources: The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.
- Contingent and Prospective Gas Resources are (100%) Unrisked Gross

TLOU ENERGY LIMITED



In accordance with Listing Rule 5.34.3, Tlou confirms that it is not aware of any new information or data that materially affects the information in the announcement to the market of the Contingent Resources contained in the replacement prospectus on 2 April 2013 and that all of the material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

Competent Person Statement

The upgraded Contingent Resources referred to in this release are taken from an independent report by Dr Bruce Alan McConachie of SRK Consulting (Australasia) Pty Ltd, an independent petroleum reserve and resource evaluation company.

Dr McConachie is a geologist with extensive experience in economic resource evaluation and exploration. His career spans over 30 years and includes production, development and exploration experience in petroleum, coal, bauxite and various industrial minerals. The Contingent Resources information in this announcement has been issued with the prior written consent of Dr McConachie in the form and context in which it appears. His qualifications and experience meet the requirements to act as a Competent Person to report petroleum reserves in accordance with the Society of Petroleum Engineers ("SPE") 2007 Petroleum Resource Management System ("PRMS") Guidelines as well as the 2011 Guidelines for Application of the PRMS approved by the SPE.

Overview of SRK

SRK is an independent, international group providing specialised consultancy services, with expertise in petroleum studies and petroleum related projects. In Australia SRK have offices in Brisbane, Melbourne, Newcastle, Perth and Sydney. SRK has completed reserve and resource assessments for a number of clients in Australia.

Tlou- Key Statistics (as at 31 December 2014)

- ASX Code – TOU
- Shares on issue ~ 148 million
- Fully diluted ~ 163 million
- Cash balance ~ \$5.8 million (AUD)
- Debt = Nil
- Primary Focus is the Lesedi CBM Project in Botswana (100% Tlou Energy)

Anthony (Tony) Gilby
Managing Director
Tlou Energy Limited

For further information regarding this announcement please contact:

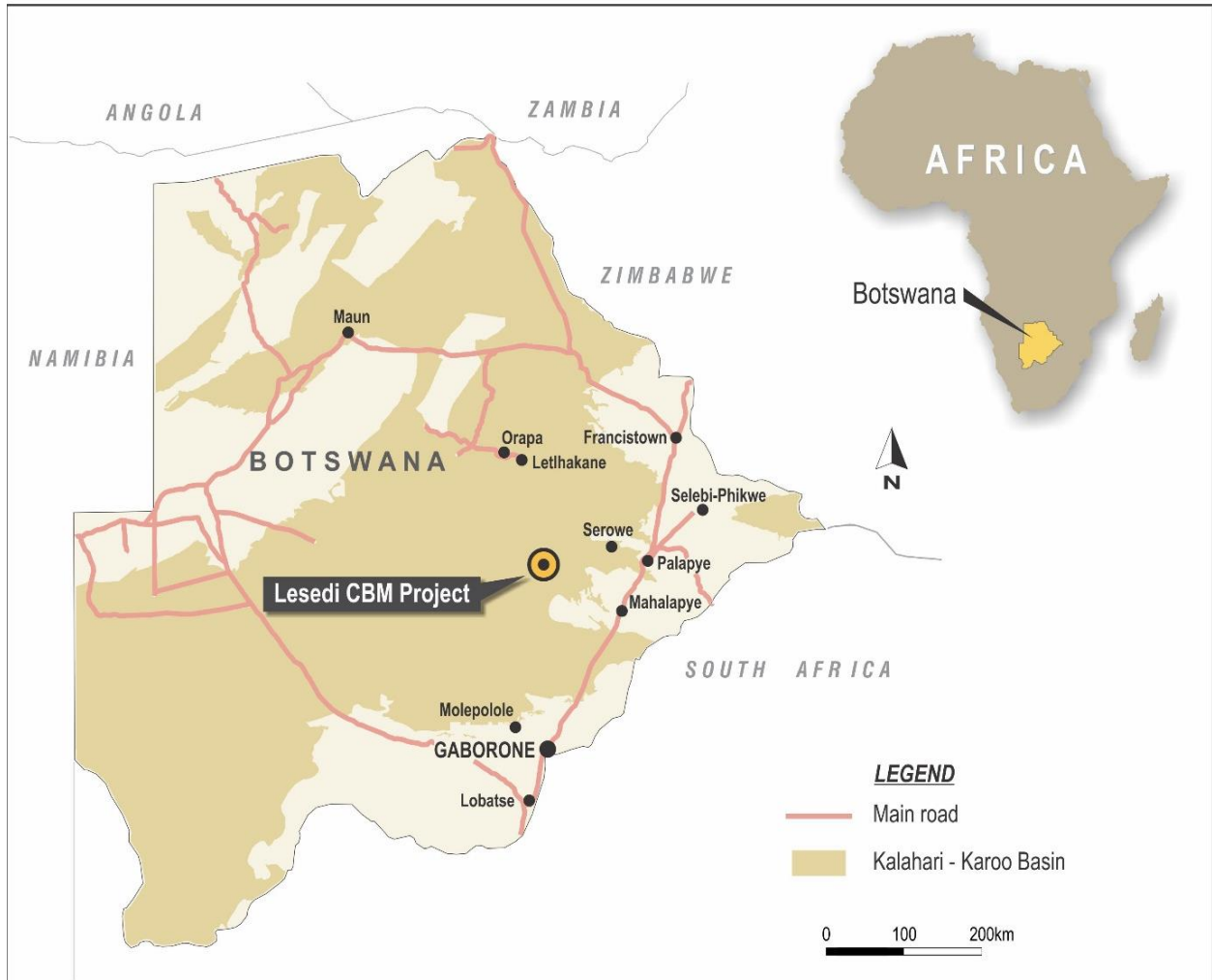
Anthony Gilby
Managing Director

Stephen Rodgers
Company Secretary

TLOU ENERGY LIMITED

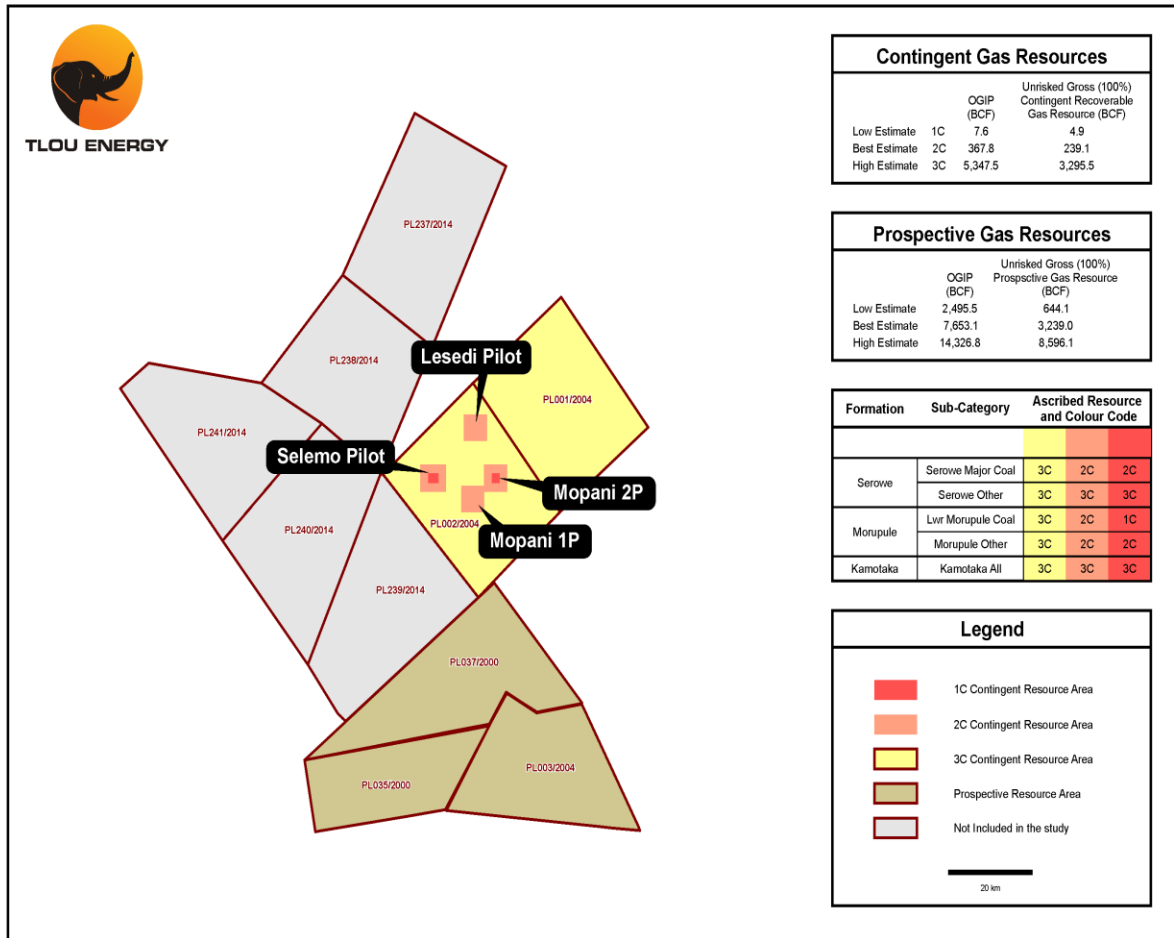


Appendix - Lesedi CBM Project Maps



Map 1 - Lesedi CBM Project - Location

TLOU ENERGY LIMITED



Map 2 - Lesedi CBM Project - Contingent Resource Area