

TLOU ENERGY LIMITED**11 June 2015**

Drilling operations commence and Entitlement Offer update**Key points:**

- Expanded drilling program commences at the Selemo Pilot area which is aimed at enhancing longer term gas flow rates;
- Tlou's underwritten non-renounceable entitlement offer to raise approximately \$5.5 million closes on Monday, 22 June 2015.

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

Update of the expanded drilling program at Lesedi CBM Project

All equipment and personnel were mobilised over the weekend and following all safety inspection procedures, drilling commenced on Monday 8 June 2015. The initial well being drilled is the Selemo 3P vertical well which is currently at a depth of approximately 149m.

The work program involves the drilling of up to two lateral pods (comprising both vertical and lateral wells at each pod) and potentially a single vertical well. The objective of this expanded program is to enhance the longer term gas flow rates of the wells in the Selemo pilot area, and aid in the booking of initial reserves for the Lesedi CBM project.

Update on the Non-Renounceable Entitlement Offer

Tlou recently announced an entitlement offer to assist in the funding of the abovementioned work program. Eligible shareholders should have now received a personalised Entitlement and Acceptance Form and a copy of the Offer Booklet.

The entitlement offer summary is as follows:

- A non-renounceable pro-rata Entitlement Offer of 4 new shares for every 15 shares held at an issue price of A\$0.14 per new share, raising approximately A\$5.5 million;
- The Entitlement Offer is underwritten;
- The offer opened at 9am AEST on Wednesday, 3 June 2015; and
- The offer closes at 5pm AEST on Monday, 22 June 2015.

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If you have not received your personalised Entitlement and Acceptance Form, please advise the company immediately by email to info@tlouenergy.com stating the shareholder name, and a replacement form will be emailed to you. Alternatively, please call Tlou on +617 3012 9793.

Tlou- Key Statistics

- ASX Code – TOU
- Shares on issue ~ 148 million
- Fully diluted ~ 158 million
- Cash balance ~ AUD \$5.8 million (31 March 2015)
- Debt = Nil
- Primary Focus is the Lesedi CBM Project in Botswana (100% Tlou Energy)

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