

TLOU ENERGY LIMITED**10 January 2017**

Tlou Energy Limited**(‘Tlou’ or ‘the Company’)****REQUEST FOR PROPOSAL RECEIVED FROM BOTSWANA GOVERNMENT FOR UP TO
100MW OF CBM**

Tlou Energy Limited, an AIM and ASX listed company focused on delivering power in Botswana and Southern Africa through the development of coal bed methane (‘CBM’) at its Lesedi CBM project, is pleased to announce it has received a detailed Request for Proposal (‘RFP’) from the Government of Botswana to develop up to 100MW of CBM power in Botswana.

HIGHLIGHTS

- **Tlou receives request for proposal from Botswanan Government to provide up to 100MW of CBM power from its Lesedi project**
 - **Follows Government of Botswana’s announcement in June 2016 that the delivery of 100MW of CBM power be incorporated into its future generation supply plans**
 - **Tlou owns 100% of the most advanced CBM project in Botswana – achieved first independently certified CBM gas reserves and Environmental Impact Statement approval in 2016**
 - **Field development plan currently being worked on to progress a scalable CBM to power plant at Lesedi**
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Tlou’s Managing Director Tony Gilby said, “We are pleased to receive the RFP from the Botswana Government and look forward to providing them with a detailed, compelling and compliant tender for our pilot power generation project at Lesedi.

“This is the next step in the path to a binding offtake agreement and is testament to the fact that the Botswana Government remains committed to see CBM power projects developed in Botswana so that CBM can become a long term indigenous source of cleaner energy for the country. Lesedi is a scalable project and being the first company in Botswana to achieve independently certified CBM gas reserves in 2016 as well as the first to receive Environmental Impact Statement approval we are

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clearly well placed to deliver on our objectives. We look forward to updating the market in due course as we make progress towards fulfilling our vision to become a significant provider of energy in Botswana and the wider region."

Request for Proposal for CBM Power Project

Tlou has received a Request for Proposal from the Government of Botswana for the development of up to 100MW of power using CBM. This indicates the Government's commitment to facilitate the development of a CBM industry in Botswana. The proposed Government power purchase agreement ("PPA") will assist in fast-tracking the development of the gas industry in the country and creates a new market for Tlou's independently-certified gas reserves and significant contingent gas resources of ~3.3 trillion cubic feet (3C).

As previously announced in July 2016, Tlou is one of two companies selected to bid for the development of up to 100MW of power using CBM in Botswana as an Independent Power Producer. The Company has now received a detailed Request for Proposal ("RFP") from the Ministry of Mineral Resources, Green Technology and Energy Security. The closing date for this tender is 12 July 2017. The RFP requires details of the proposed field development, the installation of power generation facilities and supply of power into the grid in Botswana.

The Botswana Government has developed this initiative to allow companies such as Tlou to develop pilot plants and facilitate the development of their CBM resource to levels which may lead to the supply of gas to the Government owned 90MW Orapa Power Plant, which is situated approximately 150km to the north of Tlou's Lesedi CBM Project.

It is a requirement of the RFP that all matters are kept confidential. However, the Company will update the market where possible and specifically in relation to completion and submission of the required documentation.

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Company Information

Tlou Energy is an AIM and ASX listed company focused on delivering power in Botswana through the development of coal bed methane ('CBM') projects. Botswana has a severe energy shortage and is currently relying on expensive imported power and diesel generation to deliver its requirements. However, as the 100% owners of the most advanced gas project in the country, the Lesedi CBM Project ('Lesedi'), Tlou Energy provides investors with access to a compelling immediate and longer term opportunity using domestic gas to produce power and displace the expensive diesel and import market.

The Company is led by an experienced Board, management and advisory team including individuals with successful track records in the Australian CBM industry.

Since establishment in 2009 the Company has significantly de-risked the project in consideration of its goal to become a significant gas to power producer. The Company has the most advanced CBM project in Botswana and flared its first gas in 2014. It holds 10 prospecting licences covering an area of ~8,300Km² and the Lesedi project already benefits from significant, independently certified contingent resources of ~3.3 trillion cubic feet (3C). In October 2016, the Company booked its maiden independently certified gas reserves, thereby becoming the first company in Botswana to do so.

The Company is planning an initial scalable gas-to-power project in Botswana. Following successful implementation of this first scalable project, the Company plans to expand in order to provide further power to Botswana and the southern African region.

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