

**TLOU ENERGY LIMITED**21 August 2017

---

**Tlou Energy Limited**  
**("Tlou" or "the Company")**  
**Mining Licence Awarded**

---

Tlou Energy Limited, the AIM and ASX listed company focused on delivering power in Botswana and southern Africa through the development of coal bed methane ("CBM"), has been advised that a Mining Licence for the Lesedi CBM project has been granted by Botswana's Department of Mines in the Ministry of Mineral Resources, Green Technology and Energy Security ("the Ministry").

**Key points**

- **Tlou has been successful in attaining its Mining Licence for the Lesedi CBM project;**
- **The Mining Licence covers an area of approximately 900Km<sup>2</sup>, which is the area previously designated as prospecting licence PL002/2004;**
- **Mining Licence gives security of tenure over the project area;**
- **Progresses Tlou's activities from CBM exploration and appraisal to development.**

**Tlou's Managing Director Tony Gilby said, "The Mining Licence for the Lesedi CBM Project was the first application of its kind to be lodged in Botswana. The awarding of the Mining Licence by the Ministry is a major milestone for the Company, further de-risks the project, and is an important prerequisite to developing the first commercial gas-to-power project in the country. The issue of a Mining Licence will pioneer the development of a new and exciting natural CBM gas industry in Botswana, an industry that will lead to a new indigenous source of energy, income and employment for the country. I would like to thank the team at Tlou and our consultants for putting together such a comprehensive application and the Ministry for the positive assessment of the application. Having been granted a Mining Licence will also further enhance our proposal for the Botswana Government sanctioned CBM fuelled pilot power project which is due to be submitted later in the week".**

**Mining Licence**

In Botswana, holders of Prospecting Licences ("PL") are issued Mining Licences once exploration on a relevant Prospecting Licence has been concluded and the holder of the Prospecting Licence is ready to commence commercial production. Mining licences are assessed in accordance with the prescribed statutory requirements of the Botswana Mines and Minerals Act. Two major components of a Mining licence application are an approved EIA (granted for the Lesedi Project in September 2016) and a

For personal use only

## TLOU ENERGY LIMITED



TLOU ENERGY

feasibility study for the relevant project. Tlou has received notification from the Ministry that it has been granted a licence over the area applied for. The Company will make a further announcement containing material terms of the licence, once it has received the license itself, something it expects to do by the end of this week.

This achievement highlights the progress being made by the Company over the past few years including:

- Producing sustained commercial gas flows at the Lesedi project over the past 12 months;
- Attaining the first CBM reserves in Botswana in 2016 and expanding these reserves in 2017;
- Successfully acquiring environmental approval for upstream project development at Lesedi;
- Receiving a Request for Proposal from the Botswana government for up to 100MW of CBM power; and
- Grant of a Mining Licence over a large area of the Company's current acreage.

### **Request for Proposal for CBM Power Project**

Earlier this year, the Company received a detailed Request for Proposal ("RFP") from the Ministry for the development of up to 100MW of CBM fuelled pilot power plants in Botswana.

The Company is planning to lodge its proposal to the Ministry this week in advance of the closing date of August 23, 2017. The planned submission outlines a scalable CBM gas-to-power project. A scalable approach, with power connected to the grid in phases both enables Tlou to sell power into the grid sooner, thereby generating earlier revenue for the Company and allows staging of capital expenditure.

### **Mamba Licence renewal application**

The Mamba project consists of five CBM prospecting licences in Botswana covering an area of approximately 4,500Km<sup>2</sup>. The Mamba area is considered to be highly prospective, being situated adjacent to Tlou's Lesedi CBM Project and being on-trend with the encouraging results observed to date. In the event of a gas field development by Tlou, the Mamba area provides the Company with considerable flexibility and optionality.

Renewal applications were submitted for the Mamba licences in March 2017. The Company has received confirmation from the Ministry that the licences have been extended for a period of three months whilst they complete their review of Tlou's renewal application for a further period of two years.

**TLOU ENERGY LIMITED**

For further information regarding this announcement please contact:

<b>Tlou Energy Limited</b>	+61 7 3012 9793
Tony Gilby, Managing Director	
Solomon Rowland, Company Secretary	
<b>Grant Thornton (Nominated Adviser)</b>	+44 (0)20 7383 5100
Samantha Harrison, Colin Aaronson, Harrison Clarke	
<b>Shore Capital (Joint Broker)</b>	+44 (0) 207 408 4090
Jerry Keen, Mark Percy, Toby Gibbs	
<b>Optiva Securities Limited (Joint Broker)</b>	+44 (0)20 3137 1904
Jeremy King, Christian Dennis	
<b>St Brides Partners Limited (Public Relations)</b>	+44 (0) 20 7236 1177
Lottie Brocklehurst, Megan Dennison	
<b>FlowComms Limited (Investor Relations)</b>	+44 (0) 7891 677 441
Sasha Sethi	

**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”) gas. 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, Tlou Energy provides investors with access to a compelling immediate and longer-term opportunity using domestic gas to produce power and displace expensive diesel and imported power.

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 a Mining Licence and nine Prospecting Licences, covering an area of ~8,300Km<sup>2</sup> in total, and the Lesedi Project already benefits from significant

**TLOU ENERGY LIMITED**

TLOU ENERGY

independently certified Contingent Gas Resources of ~3.2 trillion cubic feet (3C) and independently certified Gas Reserves.

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 to provide further power to Botswana and the southern African region.

For personal use only

# TLOU ENERGY LIMITED



For personal use only

